Weekly Compilation of

Presidential Documents

Monday, June 21, 2004
Volume 40—Number 25
Pages 1049–1115

Contents

Addresses and Remarks

See also Meetings With Foreign Leaders
Cabinet meeting—1091
Congressional barbecue—1084
Florida, MacDill Air Force Base in Tampa—1084
Medicare drug discount card—1064
Missouri, discussion at the Liberty Community Center in Liberty—1064
National Federation of Independent Businesses—1092
President Ronald Reagan, eulogy at the national funeral service—1057
President William J. Clinton and First Lady Hillary Clinton, unveiling official portraits—1062
Radio address—1060
Saudi Arabia, murder of Paul Johnson—1111
Southern Baptist Convention, satellite remarks—1081
Texas, 80th birthday celebration for President George Bush in Houston—1061
Washington
Departure from Seattle—1111
Fort Lewis—1106
Reception for senatorial candidate George R. Nethercutt, Jr., in Spokane—1100

Bill Signings

Legislation to address the participation of Taiwan in the World Health Organization, statement—1070

Communications to Congress

Bahrain, message transmitting notice of intention to enter into a free trade agreement—1083
Canada-U.S. Agreement on Pacific Hake/Whiting, message transmitting—1090
Russian Federation, message on continuation of the national emergency with respect to the risk of nuclear proliferation created by the accumulation of weapons-usable fissile material—1090
United Kingdom-U.S. agreement for cooperation on the uses of atomic energy for mutual defense purposes, message transmitting amendment—1071

Communications to Federal Agencies

Certification Concerning U.S. Participation in the United Nations Stabilization Mission in Haiti Consistent with Section 2005 of the American Servicemembers' Protection Act, memorandum—1070

(Continued on the inside of the back cover.)

Editor's Note: The President was in Reno, NV, on June 18, the closing date of this issue. Releases and announcements issued by the Office of the Press Secretary but not received in time for inclusion in this issue will be printed next week.

WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

Published every Monday by the Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408, the *Weekly Compilation of Presidential Documents* contains statements, messages, and other Presidential materials released by the White House during the preceding week.

The *Weekly Compilation of Presidential Documents* is published pursuant to the authority contained in the Federal Register Act (49 Stat. 500, as amended; 44 U.S.C. Ch. 15), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President (37 FR 23607; 1 CFR Part 10).

Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The *Weekly Compilation of Presidential Documents* will be furnished by mail to domestic subscribers for $80.00 per year ($137.00 for mailing first class) and to foreign subscribers for $93.75 per year, payable to the Superintendent of Documents, Government Printing Office, Washington, DC 20402. The charge for a single copy is $3.00 ($3.75 for foreign mailing).

The *Weekly Compilation of Presidential Documents* is also available on the Internet on the *GPO Access* service at http://www.gpo.gov/nara/nara003.html.

There are no restrictions on the republication of material appearing in the *Weekly Compilation of Presidential Documents*.

Week Ending Friday, June 18, 2004

The President's News Conference in Savannah, Georgia

June 10, 2004

The President. Thank you all. Thanks for coming. We just completed a very successful summit. The nations of the G–8 are united in our desire to help bring stability and democracy to Iraq. We came together to support reform in the broader Middle East. We pledged to work together to build a more secure, peaceful, and prosperous world.

Laura and I thank the citizens of this part of our country. This was a successful summit because the people here made it successful by being so warm and gracious. The Southern hospitality was strong. The citizens of Sea Island and Brunswick and Savannah, as well as people from around Georgia, were just really great, and we thank them. All the leaders with whom I talked asked me to express my appreciation to the people of this part of the world.

I also thank the world leaders and their staffs who traveled so far to come here. I especially want to thank the leaders for their kind words of condolence for President Ronald Reagan. Laura and I look forward to paying our respect to President Reagan tonight at the Capitol, and we look toward—forward to our visit with Nancy and the Reagan family at the Blair House tonight.

Ronald Reagan was a great man, an historic leader, and a national treasure. I'm honored to speak tomorrow at the memorial service on behalf of a grateful nation.

This year's G–8 Summit came at a crucial time. Our nations face a grave threat to our common security. We also face a moment of opportunity to undermine the appeal of terror by supporting the advance of liberty and prosperity throughout the world, especially in the broader Middle East. The momentum of freedom there is building. A free Iraq is rising in the heart of that vital region.

Across the Middle East, a consensus is emerging on the need for change. In Alexandria, Istanbul, the Dead Sea, Sona, and Aqaba, political, civil society, and business leaders have met to discuss modernization and reform and have issued stirring calls for political, economic, and social change. The nations of the G–8 recognize our special responsibility to help the people of the Middle East achieve the progress they seek. And here at Sea Island, we pledged that our nations will help further the causes of freedom and reform to help an increasing number of people join in the progress of our times.

I appreciate the support of the G–8 nations for the new United Nations Security Council resolution that expresses international support for Iraq's interim government and lays out a clear path to Iraqi democracy. The Iraqi people can know that the world stands with them in their quest for a peaceful, democratic, and prosperous future. And the enemies of freedom in that nation know that they are opposed by the might and resolve of free nations.

I'm grateful to the new President of the Iraqi interim government, President al-Yawr, for making the trip to Sea Island. I had a really good visit with him. He shared his thinking on the need to improve security, to make progress toward national elections no later than January of next year.

The nations of the G–8 are committed to the success of Iraq's government, to the defeat of its enemies, and to the future of Iraq as a free and democratic state. The defeat of terror worldwide and the success of freedom in Iraq are the challenges of the moment. The spread of freedom throughout the broader Middle East is the imperative of our age.

This year, G–8 nations and Turkey have united around a common agenda to use the energies and resources of our nations to support the momentum of freedom in the nations of the Middle East and North Africa.

Working with leaders from the region, we have established the Partnership for Progress and a Common Future with nations of the broader Middle East. This partnership will seek to advance the universal values of human dignity, freedom, democracy, the rule of law, economic opportunity, and social justice.

We've also agreed to establish a Forum for the Future, which will bring together senior government officials from the Middle East with their G–8 counterparts and also regional business and civil society leaders with corresponding leaders from G–8 nations. In the forum, leaders will discuss ideas that can help the nations of the Middle East create jobs, increase access to capital, improve literacy and education, protect human rights, and make progress toward democracy.

Reform must reflect the needs and realities of each country and be driven by the desires of the people. We have an obligation to support them in their search for a freer, more prosperous future. We will meet that obligation.

I thank the many leaders from the Middle East who came to this summit to describe their goals for their nations and who pledged their support for this project. The people of the broader Middle East yearn for democratic change, and their leaders understand and support the need for reform.

I also thank the spouses of the G–8 leaders and prominent women from the region who met to explore ways in which all of our nations can improve education and expand opportunities for women in the broader Middle East. I want to thank Laura for hosting that important meeting and for all that she has done over the past 3 years on behalf of the women and girls of the broader Middle East.

At this summit, we also agreed to take new action to stop the spread of weapons of mass destruction. Within the recent addition—with the recent addition of Russia, all G–8 member nations now participate in the Proliferation Security Initiative, which is designed to stop the trade in deadly weapons and the means to make and deliver them.

Seven new donor nations have agreed to contribute funds to the global partnership to reduce and secure dangerous weapons and materials. We will expand the partnership's cooperation to address proliferation threats beyond the nations of the former Soviet Union.

G–8 nations have agreed to my proposal to establish a special committee within the International Atomic Energy Agency that will focus intensively on safeguards and verification. We're calling on all nations to sign and implement the additional protocol which will expand the IAEA's ability to inspect nuclear activities and facilities. We agreed that over the next year, our nations will not initiate any new transfers of uranium enrichment and reprocessing technology to additional nations, as we work toward a permanent means to keep these materials out of the hands of outlaw nations seeking nuclear weapons.

And the G–8 agreed for the first time to take concrete steps to expand national and international capabilities to prevent, detect, and respond to attacks with biological weapons.

Finally, we moved forward on our common efforts to make the world not only safer but better. We launched a new effort to train and equip 75,000 peacekeepers over the next 5 years to help bring stability and security to troubled regions, with an initial focus on the continent of Africa.

We established the Global HIV Vaccine Enterprise to accelerate the efforts of scientists to defeat HIV/AIDS. We pledged to break the cycle of famine in the Horn of Africa. We met with the heads of government from six African nations to discuss their ongoing work to improve health care, institute reform, and build prosperity for their peoples, as reflected in their commitment to the New Partnership for Africa's Development.

Over the long term, trade is the most certain path to lasting prosperity. Free and fair trade is the key engine of growth in the world. And as we spur growth in our own countries, we must continue to reduce the trade barriers that are an obstacle to growth in the developing world.

G–8 nations reaffirmed our commitment to the success of the Doha Round of WTO trade negotiations. We directed our trade ministers to take action to get the negotiations back on track toward a successful conclusion.

The past several days have been full and productive. We've taken up many important tasks, and now we'll translate our consensus into action. The United States looks forward to fulfilling the commitments we made at Sea Island. And the nations of the G–8 will stand together to advance the values of freedom and peace and human dignity.

Now I'll be glad to take a couple of questions. Tom [Tom Raum, Associated Press].

Iraqi Security

Q. Mr. President, you emphasized earlier today that Iraq needs help. But where, specifically, do you see this help coming from? Despite a U.N. resolution and despite the harmony here at the summit, no one else has stepped forward offering more debt relief or more troops. Doesn't it appear that the American face will be on the security of Iraq for a long time to come? So where——

The President. No, it doesn't appear that way. There will be an Iraqi face on the security of Iraq. The Iraqis will secure their own country. And we are there to help them do so. And we had great discussions today about how to help Iraq.

Tom, the resolution just got passed. I know we live in a world where everything is supposed to happen yesterday, but it doesn't work that way. And we're waiting for the Iraqi government to assess the situation and make requests to the free world. We'll respond to their requests when sovereignty is fully transferred. That's the definition of full sovereignty. You see, when a government is fully sovereign, they then make requests on behalf of their people.

And the response here at the G–8 has been very encouraging. In other words, the G–8 leaders have said, "We'll wait for their requests and see if we can't help." But just let me make the point again: Most of the security in Iraq will be provided by Iraqis, and we are there to help them.

Steve [Steve Holland, Reuters].

NATO's Role in Iraq

Q. Thanks, Mr. President. President Chirac said yesterday that NATO should not intervene in Iraq. Is that what you were proposing? Is a common ground possible before the Turkey summit?

The President. I suggested to the leaders of the G–8 that we listen to the needs of the Iraqi leadership. And if they ask for more training, for example, a good organization to provide that training would be NATO. As I said, I think in your presence, as a matter of fact, I don't expect more troops from NATO to be offered up. That's an unrealistic expectation. Nobody is suggesting that. What we are suggesting is for NATO, perhaps, to help train. Now, that would come at the request of the Iraqi government. And I found a common spirit of wanting to help Iraq progress and become a peaceful country. People understand the stakes involved here. A democracy in the heart of the Middle East is going to be an important change for that region, that troubled region.

And I understand some in the world say this country can't be free and self-governing. Well, I disagree. I strongly believe it will be free and prosperous. And they need our help, and they'll have our help. And when they're free and prosperous, it will serve as a symbol, an example of that which is possible for other countries and other people.

See, I believe free societies best meet the aspirations of the people living in those societies. And we look forward to helping Iraq achieve that—the dream of being at peace and free and a country in which the people are able to express their opinions.

Sanger [David Sanger, New York Times].

Justice Department Advisory Opinion on Treatment of Prisoners

Q. Mr. President, the Justice Department issued an advisory opinion last year declaring that as Commander in Chief, you have the authority to order any kind of interrogation techniques that are necessary to pursue the war on terror. Were you aware of this advisory opinion? Do you agree with it? And did you issue any such authorization at any time?

The President. No, the authorization I issued, David, was that anything we did would conform to U.S. law and would be consistent with international treaty obligations. That's the message I gave our people.

Q. Have you seen the memos?

The President. I can't remember if I've seen the memo or not, but I gave those instructions.

John [John King, CNN], yes.

Libya

Q. Thank you, Mr. President. Sir, I wanted to ask you about this Libyan plot to assassinate Prince Abdullah of Saudi Arabia. My understanding of it is that it came to the White House's attention in early April. The White House officials do believe that Qadhafi had some kind of involvement in it. I'm wondering if you could confirm that. Also, have you sent any kind of a message to Qadhafi about it? And what does it say about his intentions to truly renounce terrorism and rejoin the community of nations?

The President. Yes, I appreciate that question. What I can tell you is, is that we're going to make sure we fully understand the veracity of the plot line. And so we're looking into it, is the best way I can tell you. And when we find out the facts, we will deal with them accordingly.

Q. Was there any kind of message sent to him, sir?

The President. I don't talk to Colonel Qadhafi. I have sent a message to him that if he honors his commitments to resist terror and to fully disclose and disarm his weapons programs, we will begin a process of normalization, which we have done. We have begun that process. And now there's—we will make sure he honors his commitment.

John [John Dickerson, TIME].

Middle Eastern Allies/Reform in the Middle East

Q. Mr. President, thank you. In the past and here at this summit, you have made crystal-clear how important this Middle East initiative is to you. And yet, key U.S. allies in the region, like Egypt, like Saudi Arabia, like Kuwait, refuse to send representatives to engage in the discussions. Do you take that as a personal slap, sir?

The President. No. [*Laughter*] Okay, I'll give your question more answer. [*Laughter*] This initiative is not important for me; it's important for the people of the region. That's what's important, for the people of the region to have a chance to live in a free society. And obviously, I believe it's possible that there will be free, self-governing countries in this vital part of the world. And so do others, including the leaders that came and spoke to us.

And look, I fully understand—look, there was some concern when the initiative was first proposed that this was America trying to make the world look like America. It's not going to happen. I fully understand that a free society in the Middle East is going to reflect the culture and traditions of the people in that country, not America.

I also understand it takes a while to adopt the habits of a democratic society and a free society. After all, it took our own country a while. You might remember the period of the Articles of Confederation. You do remember the period of the Articles—[*laughter*]—it just took us a while. It's not easy work. It's hard work, but we believe it is necessary work, because free societies are peaceful societies. The best way to defeat terror is to speak to the aspirations and hopes of women and men.

And so I understand, John, that there's a certain nervousness about whether or not people can adapt the institutions of freedom. But they shouldn't be nervous. They ought to welcome reform.

And you mentioned my friend the Crown Prince of Saudi Arabia. He and I have discussed reform before. He understands the need to reform—it's not going to—you know, it's not going to meet the expectations of every American. But nevertheless, he understands the need to speak to the hopes and aspirations of his people.

And so it was a very positive meeting yesterday. And the statement ought to be very positive.

I had a very interesting moment when the Minister of—I think that her title is Minister of Displaced Persons in Iraq. She came with the President's delegation. And she took me aside and said, "You must understand, Mr. President, when you speak about reform in the Middle East, there are a lot of brave people who hear your words." And I shared that with my counterparts at the G–8, that people hear our words. Because, you know—and they're anxious that we honor what we say because they want to be free. They want to be free people.

Let's see here. Let's make sure we get fair—Jimmy Angle [FOX News]. Where are

you? No show. Jon [Jonathan Karl, ABC News].

Q. Mr. President——

The President. ——it's very kind of me to call upon your network, even though the guy's name here, who was supposed to be here, didn't show. [*Laughter*] I haven't seen you in a while. Why are you covering Congress and not the White House?

Q. Well, I'm glad to be here, Mr. President.

The President. Okay, good. [*Laughter*]

Treatment of Prisoners

Q. Returning to the question of torture, if you knew a person was in U.S. custody and had specific information about an imminent terrorist attack that could kill hundreds or even thousands of Americans, would you authorize the use of any means necessary to get that information and to save those lives?

The President. Jonathan, what I've authorized is that we stay within U.S. law.

Gregory [David Gregory, NBC News].

Iraqi Security

Q. Yes, sir. Thank you, Mr. President. I was struck by something you said that it's the Iraqis who are going to be primarily responsible for their own security.

The President. Correct.

Q. How is that the case when you have said repeatedly that the terrorists and the killers in Iraq understand the stakes of this particular time and that they're only going to intensify their insurgency? I mean, isn't the reality that——

The President. Yes, go ahead.

Q. Haven't you said that?

The President. I have said that. No, I wasn't—I was just kind of—I'm trying to get to where your question is leading.

Q. Well, I guess I'm challenging the notion——

The President. I should not anticipate. I'm sorry.

Q. Okay, no, what I'm trying to do is challenge the notion that it's Iraqis who are going to be primarily responsible for their security when we've come through a period where, as you've noted, many of them are running away from their posts; they're not adequately trained. Isn't the reality that the United States is still very much alone in Iraq, going forward, even after the handover, in terms of securing the country?

The President. Well, first of all, David, there is a coalition on the ground in Iraq. If you're here to ask Prime Minister Blair a question, I would hope you wouldn't ask the question, "Do you think America is alone in Iraq." He's got a lot of troops in Iraq, and other nations have troops in Iraq, all aiming to help the Iraqi people. But the long-term solution is going to be for the Iraqi people to secure their own country, David. That's the only way this country is going to evolve into a prosperous, free society.

And I believe the full transfer of sovereignty is going to—will help the Iraqis understand the stakes. They will be responsible. It's their responsibility. We are there to help. And yes, the main security will be provided by the Iraqi citizens. It's—that's the duty of a government, is to train and equip and provide police and army to protect their people from people who are willing to kill innocent life.

Now, look, I fully concede and have publicly that I think things are still going to be tough there. The transfer of sovereignty isn't going to stop Zarqawi, an Al Qaida associate who, by the way, was in Baghdad prior to our arrival and still operates in the country. He's willing to kill innocent life. His desire is to kill anybody in his way, to try to shake the confidence of the Iraqi citizens as well as the citizens of the free world. He operates, and we're there to help the Iraqi citizens find him and bring him to justice. No question it's still going to be dangerous.

But the solution for Iraqi security is going to be provided by the Iraqis. That's what Prime Minister Alawi has said so clearly. I haven't met the Prime Minister yet, but he sounds like a very strong, courageous individual who says, "Look, we want—we want your help, but it's our responsibility to secure our country." And we're there to help.

Let's see here. I'm trying to curry favor with everybody, of course. [*Laughter*]

Q. ——in the back.

The President. I will in a minute. Hold on for a second. Dick [Richard Keil, Bloomberg News]. Yes, Dick. Sorry. I just got some—I've got some mandatories I've

got to call on here. [*Laughter*] See, I have to live with these people. I don't have to live with you. [*Laughter*]

Q. Thank you for that, Mr. President.

Q. In that case, can I ask you another one?

The President. Yes, exactly, Roberts [John Roberts, CBS News]. [*Laughter*]

CIA Employee Identity Disclosure Investigation

Q. Given recent developments in the CIA leak case, particularly Vice President Cheney's discussions with the investigators, do you still stand by what you said several months ago, a suggestion that it might be difficult to identify anybody who leaked the agent's name?

The President. That's up to——

Q. And do you stand by your pledge to fire anyone found to have done so?

The President. Yes. And that's up to the U.S. Attorney to find the facts.

Q. My final point would be—or question would be, has Vice President Cheney assured you——

The President. It's up to the——

Q. ——subsequent to his conversations with them, that nobody——

The President. I haven't talked to the Vice President about this matter, and I suggest—recently—and I suggest you talk to the U.S. Attorney about that.

Hold on for a minute. I'm kind of observing for a second. I've got to call on the Texas newspaper. Hillman [G. Robert Hillman, Dallas Morning News].

U.S. Troops in Iraq

Q. Yes, Mr. President. In the wake of the U.N. resolution this week and the discussions here at Sea Island, what can you tell the American people about when U.S. troops might be coming home from Iraq in large numbers?

The President. When the job is done.

Judy [Judy Keen, USA Today].

Honoring President Ronald Reagan

Q. Thank you, Mr. President. Sir, since President Reagan's death, there seems to be new momentum behind efforts to rename the Pentagon for him or to put his image on American currency. Do you support either of those?

The President. Judy, look, I am going to Washington to pay honor to Mrs. Reagan and her family. I'll give a speech tomorrow, and then I will reflect on further ways to honor a great President.

Lakely [Jim Lakely, Washington Times].

Q. Thank you, Mr. President. Many in this country and around the world believe that the United Nations' involvement in Iraq is necessary because the way you've conducted the war in Iraq is illegitimate and has lowered the moral standing of the United States around the world. However, one could also argue that the United Nations has moral authority problems of its own with the oil-for-food scandal in Iraq, for instance. How do you respond to those who think that the United Nations has greater moral standing in the world than the United States? Or do you think the United States maybe is held to a higher standard than the United Nations?

The President. I think the United States is a strong, compassionate nation. And as President of a strong, compassionate nation, I'll do what it takes to defend us. We're at war. We're at war with an enemy who killed thousands of our citizens on September the 11th, 2001. And since that time, they've killed hundreds elsewhere. They're killers, and I have an obligation to defend our country.

And the war on terror is a different kind of war. It requires international cooperation to fight it, and there's excellent international cooperation in the war against terror. There's excellence—there's excellent intelligence-sharing, not only with nations in the G–8 but nations throughout the world. There's excellent law enforcement operations—joint operations. We have got special forces from Europe side by side with special forces in the United States in remote regions of Afghanistan trying to find remnants of the Taliban and Al Qaida. There's substantial cooperation.

And that's the reason I went to the United Nations, to encourage cooperation. Plus, I wanted the United Nations to be a body that had the respect of the world, and when it said something, it meant it.

And so I went and took the case of Iraq to the United Nations. We got a unanimous

United Nations Security Council resolution. It said, "Mr. Saddam Hussein, disclose your weapons programs. If you don't, face serious consequences." In my judgment, when a body or a person says "face serious consequences," you better mean it. Otherwise, future words ring hollow, and it would have made it less likely that international cooperation would have been effective in the war on terror.

So that's why I went to the United Nations. I have respect for the United Nations. I was pleased with the U.N. Security Council resolution at the United Nations. It had a positive effect on the Iraqi people to hear the world speak. It also had a practical effect on allowing world leaders to go to their parliaments and say, "The U.N. has spoken. Therefore, let us continue missions." And I think it's a positive development when the U.N. is able to work together, and we are working together. We're working together a lot, on a lot of fronts, and that's what's going to have to continue to happen as we fight the war on terror.

Let me say it again: There's an enemy which lurks out there that is willing to kill on a moment's notice. They're trying to shake the world's confidence. They want us to retreat. They want us to surrender. They want us to say, "You win. We'll leave regions of the country." And so long as I'm the President of the United States, we'll be determined and firm and committed to fighting this enemy, for the good of all free people, so people can grow up without fear.

All right, I'm going to do a little something here, Clive, BBC [Clive Myrie]. Where are you, Clive?

Q. He's not here, but I'll—[*laughter*].

The President. You qualify. [*Laughter*] It's about—you've been to almost all my press conferences, and you've never asked a question.

Q. Well, thank you very much, Mr. President.

The President. Where is Clive?

Q. Back here, sir. [*Laughter*]

The President. Back where? Clive, I'm sorry.

Q. Sorry, Clive. [*Laughter*]

The President. There's a surrogate Clive here. [*Laughter*]

Treatment of Prisoners

Q. Mr. President, I wanted to return to the question of torture. What we've learned from these memos this week is that the Department of Justice lawyers and the Pentagon lawyers have essentially worked out a way that U.S. officials can torture detainees without running afoul of the law. So when you say that you want the U.S. to adhere to international and U.S. laws, that's not very comforting. This is a moral question: Is torture ever justified?

The President. Look, I'm going to say it one more time. If I—maybe I can be more clear. The instructions went out to our people to adhere to law. That ought to comfort you. We're a nation of law. We adhere to laws. We have laws on the books. You might look at those laws, and that might provide comfort for you. And those were the instructions out of—from me to the Government.

All right, Al Hurra. Good, thank you for coming.

Saddam Hussein/President's Meeting With Tortured Iraqis

Q. Thank you, Mr. President. You do have now the personal gun of Saddam Hussein. Are you willing to give it to President al-Yawr as a symbolic gift, or are you keeping it? [*Laughter*]

The President. What she's referring to is a—members of a Delta team came to see me in the Oval Office and brought with me—these were the people that found Saddam Hussein, the dictator of Iraq, hiding in a hole. And by the way, let me remind everybody about Saddam Hussein, just in case we all forget. There were mass graves under his leadership. There were torture chambers. Saddam Hussein, if you—we had seven people come to my office. Perhaps the foreign press didn't see this story. Seven people came to my—they had their hands cut off because the Iraqi currency had devalued. And Saddam Hussein needed somebody to blame, so he blamed small merchants, and their hands were chopped off, their right hand.

Fortunately, a documentary filmmaker went to Baghdad and filmed the—filmed these seven men. And their story was picked up around the Nation, particularly in Houston, Texas, where a person named Marvin

Zindler, who runs a foundation, took great sympathy and flew them over and had new hands put on. The latest prosthesis was put on their hand—was put on their arms. And their hands worked. I remember the guy signing "God Bless America" with his new hand in the Oval Office.

So this is the person. So needless to say, our people were thrilled to have captured him. And in his lap was several weapons. One of them was a pistol. And they brought it to me. It's now the property of the U.S. Government. And I am—it—I'm grateful for their bravery. I'm also grateful that that part of the mission was accomplished, for the good of the Iraqi people.

Deans [Bob Deans, Cox Newspapers]. This is your area, right?

Q. Yes, sir.

The President. Yes.

Q. Thank you so much.

The President. Is any local press here, at all, by the way? Any local? Okay.

Iraqi Weapons of Mass Destruction

Q. Mr. President, a year ago in Evian, there was an expectation that in the ensuing months weapons such as chemical or biological weapons would be found in Iraq. I wonder if you can share with the American people your conclusions, based on what you've learned over the past 15 months, sir, as to whether those weapons were—existed and they were hidden; were they destroyed; were they somehow spirited out of the country; or perhaps they weren't there before the war—and whether you had a chance to share this with your G–8 partners.

The President. Right, no—Bob, it's a good question. I don't know—I haven't reached a final conclusion yet because the inspectors—inspection teams aren't back yet. I do know that Saddam Hussein had the capacity to make weapons. I do know he's a dangerous person. I know he used weapons against his own people and against the neighborhood. But we'll wait until Charlie gets back with the final report, and then I'll be glad to report.

Local man, thanks.

G–8 Summit at Sea Island

Q. Mr. President, Sonny Dixon, WTOC in Savannah. I'm a native of this region, by the way. Stating the obvious, begging the indulgence of these fine people, this has been a terrific undertaking for our region of the country. We appreciate your words regarding hospitality. But in terms of logistics, facilities, and security, your observations on this G–8 Summit.

The President. Thank you. First, I want to thank the local citizens for putting up with all the security. I was riding my bike down the road in Sea Island, and a lady was just driving along the road, very happy, and the next thing she knows, some friendly agents were heading right in her way. [*Laughter*] And she, of course, pulled over, and I zoomed by. I felt like stopping to tell her, "Thanks. I apologize for the inconvenience."

I also had the honor of going by and thanking the local, State, and Federal folks who provided the security at the airport over there on St. Simons Island. The cooperation was fantastic. The local sheriffs and police chiefs need to be commended and so do their people for working so well with the State and Federal people.

It—look, this is—we made the right choice to come down here for this summit. The people were just spectacular. And I'll tell you, I generally don't put words in a foreign leader's mouth, but today Jacques Chirac said the food was great. [*Laughter*] And so, of course, I told the chefs. And they recognize that it's a heck of a lot better to hear the food is great from Jacques Chirac than George W. Bush. [*Laughter*] But it's really good.

Thank you for asking that, because it's been a spectacular success, primarily because the people are so wonderful down here.

Let's see here—Andre Sitov from Itar-Tass. Andre, good to see you. How are you?

Q. Doing great.

The President. That's good.

Jacques Chirac/Vladimir Putin

Q. G–8s are supposed to be about informal contacts between leaders, so I wanted to ask you, sir, how do policy differences that sometimes happen between you and your foreign partners, how do they affect your personal

relationship with those leaders? Thank you, sir.

The President. Yes. Well, we go to different corners of the room, and we face the wall—no. [*Laughter*] Look, there is—we're united by values. We're united by common values. And therefore, it's a easy place to start conversations. And it's to be expected that nations don't always agree on every issue. But we do agree in the power of free societies. We do agree in a free press. We don't necessarily agree everything the free press writes, but we agree in a free press. We agree with free religions. There's great agreement.

And so, therefore, it's—this is a—it facilitates good and healthy conversation. And look, there was obviously a disagreement over whether or not we enforced the demands of the U.N. I fully understand that, but now that's past. And I know there's great speculation about the relationship between the United States and France. Let's face it. Most people say the United States and the world differ. No, it's the United States and France. That's where the focus generally is, and as Jacques Chirac said yesterday, relations with the United States are excellent. He's right.

That doesn't mean we agree every time we speak. But nevertheless, we've got very good relations. And I appreciate my working relationship with him.

And so the meetings are very cordial. And you probably want me to say something about Vladimir Putin. Yes, well, it's because you—I've always had good relations with Vladimir, ever since the first time I met him. You remember where I met him first?

Q. Slovenia.

The President. Very good. Very good, yes. [*Laughter*] That's impressive. But he's a—you know, he is a person who's got opinions, and I admire his strong opinions. I like courageous leaders, people who express their opinions. It's—to me, it's hard to have a good meeting with somebody if you're always wondering what their opinion is, and you kind of leave feeling somewhat empty. That's not how you get things done, as far as I'm concerned. When you sit around the table, you say what's on your mind. You know, "Here's what I think. What do you think?" And if there's a difference, try to explain the differences and try to find common ground to work together.

We've got too much to do in a world beset by terror, poverty, and disease to allow a policy difference to prevent us from working together. And that's why these G–8 summits are meaningful and worthwhile. And that's why I'm really glad to have been the host here in Georgia.

Putting the hook on me? Okay. Listen, we're off to Washington. I've got a—I've got the—I will be paying tribute to President Reagan here in about an hour and a half or so and then will be visiting with Mrs. Reagan at the Blair House. I appreciate your understanding for the need for us, whoever is traveling with me, to get moving so that we can be on time for a solemn night and a day of remembrance tomorrow for a magnificent world leader.

God bless you all. Thanks for coming.

NOTE: The President's news conference began at 3:27 p.m. at the International Media Center. In his remarks, he referred to President Ghazi al-Ujayl al-Yawr, Prime Minister Ayad al-Alawi, and Minister of Displacement and Migration Pascale Isho Warda of the Iraqi interim government; Col. Muammar Abu Minyar al-Qadhafi, leader of Libya; Crown Prince Abdullah of Saudi Arabia; Charlie Duelfer, head of the Iraq Survey Group; President Jacques Chirac of France; and President Vladimir Putin of Russia. This item was not received in time for publication in the appropriate issue.

Eulogy at the National Funeral Service for President Ronald Reagan

June 11, 2004

Mrs. Reagan, Patti, Michael, and Ron; members of the Reagan family; distinguished guests, including our Presidents and First Ladies; Reverend Danforth; fellow citizens:

We lost Ronald Reagan only days ago, but we have missed him for a long time. We have missed his kindly presence, that reassuring voice, and the happy ending we had wished for him. It has been 10 years since he said his own farewell, yet it is still very sad and hard to let him go. Ronald Reagan belongs to the ages now, but we preferred it when he belonged to us.

In a life of good fortune, he valued above all the gracious gift of his wife, Nancy. During his career, Ronald Reagan passed through a thousand crowded places, but there was only one person, he said, who could make him lonely by just leaving the room.

America honors you, Nancy, for the loyalty and love you gave this man on a wonderful journey and to that journey's end. Today our whole Nation grieves with you and your family.

When the sun sets tonight off the coast of California and we lay to rest our 40th President, a great American story will close. The second son of Nelle and Jack Reagan first knew the world as a place of open plains, quiet streets, gas-lit rooms, and carriages drawn by horse. If you could go back to the Dixon, Illinois, of 1922, you'd find a boy of 11 reading adventure stories at the public library or running with his brother, Neil, along Rock River and coming home to a little house on Hennepin Avenue. That town was the kind of place you remember where you prayed side by side with your neighbors, and if things were going wrong for them, you prayed for them and knew they'd pray for you if things went wrong for you.

The Reagan family would see its share of hardship, struggle, and uncertainty. And out of that circumstance came a young man of steadiness, calm, and a cheerful confidence that life would bring good things. The qualities all of us have seen in Ronald Reagan were first spotted 70 and 80 years ago. As the lifeguard in Lowell Park, he was the protector keeping an eye out for trouble. As a sports announcer on the radio, he was the friendly voice that made you see the game as he did. As an actor, he was the handsome, all-American good guy, which in his case required knowing his lines—and being himself.

Along the way, certain convictions were formed and fixed in the man. Ronald Reagan believed that everything happens for a reason and that we should strive to know and do the will of God. He believed that the gentleman always does the kindest thing. He believed that people were basically good and had the right to be free. He believed that bigotry and prejudice were the worst things a person could be guilty of. He believed in the Golden Rule and in the power of prayer. He believed that America was not just a place in the world but the hope of the world.

And he believed in taking a break now and then, because, as he said, "There's nothing better for the inside of a man than the outside of a horse."

Ronald Reagan spent decades in the film industry and in politics, fields known on occasion to change a man—but not this man. From Dixon to Des Moines to Hollywood to Sacramento to Washington, DC, all who met him remembered the same sincere, honest, upright fellow. Ronald Reagan's deepest beliefs never had much to do with fashion or convenience. His convictions were always politely stated, affably argued, and as firm and straight as the columns of this cathedral.

There came a point in Ronald Reagan's film career when people started seeing a future beyond the movies. The actor Robert Cummings recalled one occasion. "I was sitting around the set with all these people, and we were listening to Ronnie, quite absorbed. I said, 'Ron, have you ever considered someday becoming President?' He said, 'President of what?' 'President of the United States,' I said. And he said, 'What's the matter, don't you like my acting either?' " [*Laughter*]

The clarity and intensity of Ronald Reagan's convictions led to speaking engagements around the country and a new following he did not seek or expect. He often began his speeches by saying, "I'm going to talk about controversial things." And then he spoke of communist rulers as slavemasters, of a Government in Washington that had far overstepped its proper limits, of a time for choosing that was drawing near. In the space of a few years, he took ideas and principles that were mainly found in journals and books and turned them into a broad, hopeful movement ready to govern.

As soon as Ronald Reagan became California's Governor, observers saw a star in the West, tanned, well-tailored, in command, and on his way. In the 1960s, his friend Bill Buckley wrote, "Reagan is indisputably a part of America, and he may become a part of American history."

Ronald Reagan's moment arrived in 1980. He came out ahead of some very good men, including one from Plains and one from

Houston. What followed was one of the decisive decades of the century, as the convictions that shaped the President began to shape the times.

He came to office with great hopes for America and more than hopes. Like the President he had revered and once saw in person, Franklin Roosevelt, Ronald Reagan matched an optimistic temperament with bold, persistent action. President Reagan was optimistic about the great promise of economic reform, and he acted to restore the rewards and spirit of enterprise. He was optimistic that a strong America could advance the peace, and he acted to build the strength that mission required. He was optimistic that liberty would thrive wherever it was planted, and he acted to defend liberty wherever it was threatened.

And Ronald Reagan believed in the power of truth in the conduct of world affairs. When he saw evil camped across the horizon, he called that evil by its name. There were no doubters in the prisons and gulags where dissidents spread the news, tapping to each other in code what the American President had dared to say. There were no doubters in the shipyards and churches and secret labor meetings where brave men and women began to hear the creaking and rumbling of a collapsing empire. And there were no doubters among those who swung hammers at the hated wall that the first and hardest blow had been struck by President Ronald Reagan.

The ideology he opposed throughout his political life insisted that history was moved by impersonal tides and unalterable fates. Ronald Reagan believed instead in the courage and triumph of free men, and we believe it all the more because we saw that courage in him.

As he showed what a President should be, he also showed us what a man should be. Ronald Reagan carried himself, even in the most powerful office, with a decency and attention to small kindnesses that also defined a good life. He was a courtly, gentle, and considerate man, never known to slight or embarrass others.

Many people across the country cherish letters he wrote in his own hand to family members on important occasions, to old friends dealing with sickness and loss, to strangers with questions about his days in Hollywood. A boy once wrote to him requesting Federal assistance to help clean up his bedroom. [*Laughter*] The President replied that, "Unfortunately, funds are dangerously low." [*Laughter*] He continued, "I'm sure your mother was fully justified in proclaiming your room a disaster. Therefore, you are in an excellent position to launch another volunteer program in our Nation. Congratulations." [*Laughter*]

See, our 40th President wore his title lightly, and it fit like a white Stetson. In the end, through his belief in our country and his love for our country, he became an enduring symbol of our country. We think of his steady stride, that tilt of the head and snap of the salute, the big-screen smile, and the glint in his Irish eyes when a story came to mind.

We think of a man advancing in years with the sweetness and sincerity of a Scout saying the Pledge. We think of that grave expression that sometimes came over his face, the seriousness of a man angered by injustice and frightened by nothing. We know, as he always said, that America's best days are ahead of us, but with Ronald Reagan's passing, some very fine days are behind us, and that is worth our tears.

Americans saw death approach Ronald Reagan twice, in a moment of violence and then in the years of departing light. He met both with courage and grace. In these trials, he showed how a man so enchanted by life can be at peace with life's end.

And where does that strength come from? Where is that courage learned? It is the faith of a boy who read the Bible with his mom. It is the faith of a man lying in an operating room who prayed for the one who shot him before he prayed for himself. It is the faith of a man with a fearful illness who waited on the Lord to call him home.

Now death has done all that death can do. And as Ronald Wilson Reagan goes his way, we are left with the joyful hope he shared. In his last years, he saw through a glass darkly. Now he sees his Savior face to face.

And we look for that fine day when we will see him again, all weariness gone, clear of mind, strong and sure and smiling again, and the sorrow of this parting gone forever.

May God bless Ronald Reagan and the country he loved.

NOTE: The President spoke at 12:09 p.m. at the National Cathedral. In his remarks, he referred to Episcopal minister and former Senator John C. Danforth of Missouri.

The President's Radio Address

June 12, 2004

Good morning. This week, America mourned the passing of President Ronald Reagan. We remembered a gentle, decent man and one of the greatest leaders our Nation has known. He was a courageous patriot whose leadership transformed the country and the world he leaves behind.

In this time of sadness, we think especially of Nancy Reagan, a loyal, loving wife of 52 years, and the President's three children and the rest of the Reagan family.

Ronald Wilson Reagan entered the world more than 93 years ago in an apartment above a local bank in Illinois. His life would include success in careers from sports broadcasting to film acting to public office. Along the way, his deepest convictions were formed, and through all the trials of life, those convictions never wavered.

Ronald Reagan believed that everything happens for a reason and that we can trust in God's purposes. He believed that people are basically good. He had no tolerance for bigotry or injustice. Above all, he believed in the courage and triumph of free men and in the capacity of the American people to overcome any obstacle.

President Reagan brought those convictions to the White House in 1981, and he departed 8 years later with achievements that have endured. With bold, persistent action, he restored the confidence of our Nation, strengthened the spirit of free enterprise, challenged and shamed an oppressive empire, and inspired millions with his conviction and moral courage.

As he showed what a President should be, he also showed us what a man should be. Ronald Reagan carried himself with a decency and attention to the small kindnesses that also define a good life. He was a courtly, gentle, and considerate man, never known to slight or embarrass others. From the Oval Office, he took time to answer letters from schoolchildren and grandmothers and countless strangers curious about life in the White House.

Ronald Reagan deeply loved the United States of America, and that love is being returned. Over the past week, tens of thousands of mourners stood in line in California and in Washington, DC, to pay their final respects. There were 21-gun salutes and dignified processions and homemade memorials at a funeral home in Santa Monica.

Now that Nancy Reagan has taken her husband to his place of rest, we offer our gratitude. Our country is stronger, and our world is freer for the brave leadership of this modest son of America. Ronald Reagan always told us that for America, our best was yet to come. We know that is true for him too. His work is done, and now a shining city awaits him.

May God bless Ronald Reagan. Thank you for listening.

NOTE: The address was recorded at 10:01 a.m. on June 11 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on June 12. The transcript was made available by the Office of the Press Secretary on June 11 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Proclamation 7796—Flag Day and National Flag Week, 2004

June 12, 2004

By the President of the United States of America

A Proclamation

For more than 200 years, the American flag has served as a symbol of our country's enduring freedom and unity. Old Glory has welcomed generations of immigrants to America's shores and is displayed proudly on homes, at schools, and over businesses across our country. During times of war, our flag has rallied our citizens to defend the blessings of liberty at home and abroad. It has accompanied our troops into battle and been given to grieving families at the grave sites

of fallen heroes. Today, as our brave men and women in uniform fight terrorism and advance freedom, the flag inspires patriotism and pride across our Nation and around the world.

Each year on June 14, we honor the American flag and recall the adoption of our first official national flag by the Continental Congress in 1777. The first Flag Day observances began quietly in the 19th century as State and local celebrations recognizing the anniversary of the Stars and Stripes. Inspired by these patriotic gatherings, President Woodrow Wilson established the first national observance by proclamation in 1916. To commemorate the adoption of our flag, the Congress, by joint resolution approved August 3, 1949, as amended (63 Stat. 492), designated June 14 of each year as "Flag Day" and requested that the President issue an annual proclamation calling for its observance and for the display of the Flag of the United States on all Federal Government buildings. The Congress also requested, by joint resolution approved June 9, 1966, as amended (80 Stat. 194), that the President issue annually a proclamation designating the week in which June 14 occurs as "National Flag Week" and calling upon all citizens of the United States to display the flag during that week.

Now, Therefore, I, George W. Bush, President of the United States of America, do hereby proclaim June 14, 2004, as Flag Day and the week beginning June 13, 2004, as National Flag Week. I direct the appropriate officials to display the flag on all Federal Government buildings during that week, and I urge all Americans to observe Flag Day and National Flag Week by flying the Stars and Stripes from their homes and other suitable places. I also call upon the people of the United States to observe with pride and all due ceremony those days from Flag Day through Independence Day, also set aside by the Congress (89 Stat. 211), as a time to honor America, to celebrate our heritage in public gatherings and activities, and to publicly recite the Pledge of Allegiance to the Flag of the United States of America.

In Witness Whereof, I have hereunto set my hand this twelfth day of June, in the year of our Lord two thousand four, and of the Independence of the United States of America the two hundred and twenty-eighth.

George W. Bush

[Filed with the Office of the Federal Register, 9:14 a.m., June 15, 2004]

NOTE: This proclamation was published in the *Federal Register* on June 16.

Remarks at an 80th Birthday Celebration for President George Bush in Houston, Texas

June 12, 2004

Thank you all. As you can see, I have been given the high honor to represent my three brothers, my sister, and our respective families at the 80th birthday party for our dad, our Gampy.

You're probably wondering how I got to be the family spokesman. [*Laughter*] Well, we polled the family, and rumor has it, somewhere in our large family, the tiebreaking vote for tonight's speaker was cast by a fourth cousin by the name of Chad. [*Laughter*] While holding his son above the crib, Chad's father reports that the lad burped, and it sounded like "George W." [*Laughter*] Once again, my life was affected by a dangling chad. [*Laughter*]

Yesterday we said farewell to a good man, our 40th President, Ronald Reagan. Today we honor another good man. I want to thank you all for coming to wish our dad a happy birthday.

We thank those who worked so hard to make this event a great success. We thank the entertainers for coming. Right before I came on the stage, I had a chance to say hello to Dennis Miller. He was somewhat disappointed. I said, "Why?" He said, "I thought we were raising money for a thousand pints of light." [*Laughter*]

We thank the underwriters, the sponsors, and the organizing committee. We thank the honorary chairman, Dan Quayle. Dan's not only a good friend; he's also one of our three favorite Vice Presidents—you know, Dick, Dan, and Dad. [*Laughter*]

Most of you are here because over the years you have come to know and love our dad as well as his rather shy and retiring wife.

He has touched you because of his decency and warmth, his humility and humor. You know what we know, that we are all fortunate to have George Bush as a part of our lives.

Some of you are here to pay tribute to a man who has made your life's calling a little easier. Because of our honoree's sense of duty and service, millions have been raised to heal hurt and disease as well as educate our young. Some are here to see the 80-year-old dude, who tomorrow will strap on a helmet, zip up a suit, and launch forth from a perfectly safe aerospace vehicle, arms sprayed, back arched, yelling at Father Time, "Take this, you old man." One or two of you thought the Astros were at home. [*Laughter*]

Jeb, Neil, Marvin, Doro, and I are here with our families because of our deep and pure love for our dad. We love his enthusiasm for life and his dedication to his faith, his family, his friends, and his country. We respect and honor the example he has set in service to our Nation, as a fighter pilot, a Representative, a diplomat, and a President. We take comfort in knowing that he was the same caring, decent man before, during, and after his time in the arena.

We like to do things with him. He is a fun guy. We like to fish, throw a shoe, play peggity, or play golf with him. We like to talk and laugh with him. We still get a kick out of his dirty shirt joke or "show him a clean one" line. We understand his gentle tease and have learned the art of the effective needle from him. We appreciate those times when he gives us ample material with his weird taste in clothes. [*Laughter*]

We are awed by his energy, his zest for life. If ever there was a guy who could say his dance card was completely full, it is our dad. We love the fact that he loves Mother. And we are amazed and deeply touched by his unconditional love for us.

So here's to you, young fella. May God grant you health, joy, and many years of happiness. God bless.

NOTE: The President spoke at 9:30 p.m. at Minute Maid Park. A portion of these remarks could not be verified because the tape was incomplete.

Remarks on the Unveiling of the Official Portraits of President William J. Clinton and First Lady Hillary Clinton

June 14, 2004

Good morning. Thank you, Henry. Laura and I appreciate you all coming. President Clinton and Senator Clinton, welcome home. All who live here are temporary residents. The portraits that are presented today will be held permanently in the White House collection for all the ages. And so beginning today, the likenesses of President William Jefferson Clinton and First Lady Hillary Rodham Clinton will take their place in a line that began with George and Martha Washington.

Laura and I are pleased to welcome members of the Clinton and Rodham family. Thank you all for coming. It's great to see Chelsea. The fact that you survived your teenage years in the White House—[*laughter*]—speaks to the fact that you had a great mom and dad. We are pleased that Mrs. Dorothy Rodham is here. Welcome. We're glad you're here and those two boys you're still trying to raise. [*Laughter*] Hugh and Tony, thank you for coming. We're glad you're here.

It's good to see so many who served our Nation so ably in the Clinton administration. Thank you all for coming back. Thanks for your service to the country, and welcome back to the White House. We're really glad you're here, and I know the President is as well.

As you might know, my father and I have decided to call each other by numbers. [*Laughter*] He's 41, I'm 43. It's a great honor to—it's a great pleasure to honor number 42. We're glad you're here, 42.

The years have done a lot to clarify the strengths of this man. As a candidate for any office, whether it be the State attorney general or the President, Bill Clinton showed incredible energy and great personal appeal. As chief executive, he showed a deep and far-ranging knowledge of public policy, a great compassion for people in need, and the forward-looking spirit that Americans like in a President. Bill Clinton could always see a

better day ahead, and Americans knew he was working hard to bring that day closer.

Over 8 years, it was clear that Bill Clinton loved the job of the Presidency. He filled this house with energy and joy. He's a man of enthusiasm and warmth, who could make a compelling case and effectively advance the causes that drew him to public service.

People saw those gifts very early in Bill Clinton. He is remembered in Hope, Arkansas, and other places along the way as an eager, good-hearted boy who seemed destined for big things. I was particularly struck by the story of a nun at St. John's School in Hot Springs who decided that Billy Clinton should get a C in deportment. That was a rare grade for the future Rhodes scholar and President. [*Laughter*] So Bill's mother gave the nun a call to see what was wrong. The Sister replied, "Oh, nothing much. But let me tell you, this boy knows the answer to every question, and he just leaps to his feet before anyone else can." [*Laughter*] She went on, you know, "I know he'll not tolerate this C, but it'll be good for him. And I promise you, if he wants to be, he will be President someday."

People in Bill Clinton's life have always expected him to succeed, and more than that, they wanted him to succeed. And meeting those expectations took more than charm and intellect. It took hard work and drive and determination and optimism, and after all, you've got to be optimistic to give 6 months of your life running the McGovern campaign in Texas. [*Laughter*]

He won his first statewide office at age 30, sworn in as Governor at 32. He was a five-time Governor of Arkansas, the first man from that State to become the President. He's also the first man in his party since Franklin Roosevelt to win a second term in the White House. And I could tell you more of the story, but it's coming out in fine bookstores all over America. [*Laughter*]

At every stage in the extraordinary rise of Bill Clinton, from the little ranch house on Scully Street to 1600 Pennsylvania Avenue, he and Roger had a wonderful, loving mother, and I am certain that Virginia Kelley would be filled with incredible pride this morning.

And so would Hugh Rodham, Senior. Mr. Rodham did have the joy of seeing his only daughter become America's First Lady. And I know he would not be surprised to see her as she is today, an elected United States Senator and a woman greatly admired in our country.

From the earliest days of her youth in Park Ridge, Illinois, Hillary Rodham impressed her family and friends as a person of great ability and serious purpose. At Maine Township High School South, at Wellesley College, and at Yale Law School, classmates saw her not just as an achiever but as a role model and as a leader. She inspires respect and loyalty from those who know her. And it was a good day in both their lives when they met at the library at Yale Law School.

Hillary's commitment to public service continued when she left this house. Listen, New York politics is a serious business—[*laughter*]—it's rough business. It takes an extraordinary person to campaign and win the United States Senate. She has proven herself more equal to the challenge, and she takes an interesting spot on American history today, for she is the only sitting Senator whose portrait hangs in the White House.

The paintings of the Clintons are the work of a fine American artist, Simmie Knox. Mr. Knox has rendered portraits of a Supreme Court Justice, a Cabinet minister, a mayor, and Members of Congress. And today we thank him for putting his skilled hand to the portraits that are about to be unveiled.

More than 40 years have passed since a boy of 16 came here to the White House with a group from the American Legion Boys Nation. On that day in the summer of 1963, Bill Clinton of Arkansas looked into the face of John F. Kennedy and left the Rose Garden feeling very proud that he had shaken the hand of a President. Today he can be even prouder of decades of service and effort and perseverance that brought him back to this place as the 42d President of the United States.

My congratulations to you both, and now will you join me on the stage for the presentation.

NOTE: The President spoke at 10:35 a.m. in the East Room at the White House. In his remarks, he referred to Henry A. Dudley, Jr., chairman, White House Historical Association.

Exchange With Reporters in Liberty, Missouri

June 14, 2004

Medicare Drug Discount Card

Q. How much did she save, Mr. President?

The President. Seventeen dollars. Her total cost is $1.90.

Q. Not bad.

The President. So, like, if you add $17 to $1.90—[*laughter*]—here, Wanda, come over here. Give us your card.

One of the reasons we're here is we want people to understand the benefits of this card so more people use it.

Wanda Blackmore. This is my Medicare card.

The President. Yes, brand new. When did you get it?

Ms. Blackmore. I got this Saturday, and this is the second time I've used it.

The President. What's that going to do for you?

Ms. Blackmore. Keep my blood flowing.

The President. Keep your blood flowing. [*Laughter*]

NOTE: The exchange began at 3:11 p.m. at the Hy-Vee pharmacy. A tape was not available for verification of the content of this exchange.

Remarks in a Discussion at the Liberty Community Center in Liberty

June 14, 2004

The President. Thank you very much. Thanks for coming. We're glad to be in Liberty, aren't we? What a great town. Gosh, I want to thank the citizens for lining the street and waving to us coming in. [*Laughter*] I really appreciate it. Mr. Mayor—I know the mayor is here, Steve Hawkins. Mayor, thank you for—please thank the citizens of your city for being so kind, and it's really great to be here.

You're wondering why I'm on stage with some local citizens, important Washington, DC-type personalities—[*laughter*]—it's because we're going to talk about something really important that's happening in the country, and that is, we're going to talk about how to make sure our seniors get the best health care possible. That's what we're here to talk about. We've got some—this is going to be a very interesting discussion, one that I think you'll find to be educational, one that will help illuminate what's going on with a good piece of law in a practical way. Before I do, I want to say something about my friend Sam Graves. Congressman Graves, thank you for coming. I asked him what he did to lose weight. [*Laughter*] He looks a lot prettier now than he used to. [*Laughter*] He said he quit eating sugar. But he is a fine Congressman. I really enjoy working with him. And I appreciate you being here, Sam. He's from a farming background. He's plenty capable and plenty smart. And I'm saying that because I want him to feel good as he gets back in the limousine. I'm giving him a ride on Air Force One back to Washington. [*Laughter*]

I'm with my friend Mark McClellan. I'll tell you about him in a minute.

Today when I landed, I met a lady named Ruth Blake. Where are you, Ruth? Yes, there she is. Ruth, thank you for coming. You're probably wondering why I'm introducing Ruth. The reason why is she's from Shepherd's Center, which is a—[*applause*]—sounds like you brought your family. [*Laughter*] Ruth is a volunteer. She manages the adult education program that educates and empowers seniors. And the reason I bring that up is I just want our fellow citizens here in Liberty, Missouri, to understand that I know the great strength of the country is the heart and souls of the American people—that our greatest strength—[*applause*].

I see some of our military folks here. That's a strength of America. We'll keep the military strong. And we've got to keep the military strong to make the world—to help the world be a peaceful world. It's incumbent upon America to lead and work with other nations to spread freedom. Free countries are peaceful countries. And I believe we have an obligation to work toward freedom and peace, not only for our own security, not only because we must never forget the lessons of

September the 11th, but because, in this Nation, we understand that freedom is not America's gift to the world. Freedom is the Almighty God's gift to each man and woman in this world.

Another strength of America is the fact that we're a wealthy nation, and that's important. It's important that we stay that way, so people can find work; they can put food on the table; people can do their duty as a mom or a dad.

But our true strength is the fact that we've got loving citizens who are willing to volunteer to help change America, one heart and one soul at a time. My call to our fellow citizens is to join the army of compassion, which exists in every neighborhood in every city of our great land. Make a difference by teaching a child or an adult to read, by providing food to the hungry, shelter to the homeless, and together, we can make sure the great promise and hope of America is extended to every corner of our great country.

I'm honored you're here. Thanks for coming. Thanks for representing the best of America.

Nearly 39 years ago, not far from here, President Lyndon Baines Johnson signed the Medicare law, the first Medicare law. And interestingly enough, the first Medicare card was handed to Harry Truman. You might remember him—[*laughter*]—a fine President, I might add. But Medicare, which had done a great job for many years, got stuck in the past. In other words, medicine began to change, but Medicare wouldn't change with it.

For years, politicians talked about modernizing Medicare. Nothing got done, though. As a matter of fact, as you might remember, it became, in political parlance, "Mediscare." In other words, somebody would talk about it, and they'd use it against him as a political weapon. And it was time to get rid of that kind of talk because Medicare is too important a program for our seniors.

We were willing to provide money for operations, but we weren't willing to pay for the drugs that would prevent the operation from needing to happen in the first place. See, it was stuck in the past. The procedures were too old, and it required bureaucratic action to make sure that the modern medicine was available to our seniors. It kind of crept along. It wasn't doing its job. So we called Congress to task—I called Congress to task. I said, "Let's do our duty as elected officials to make the system work better on behalf of our senior citizens." Congress passed the law. I proudly signed it, and it's going to make a positive difference, a big difference in the lives of our seniors.

We're really in a three-stage process. We're going to talk about the first stage of Medicare modernization today, which is the issuance of drug discount cards. The second stage is what happens next year when Medicare begins to pay for preventative medicine, maintenance, and screenings for seniors. In other words, for the first time in Medicare's history, we're now going to diagnose problems before they become acute. That seems to make sense, particularly if you're worried about taxpayers' money. In other words, if you act early to prevent problems from happening in the first place, it's good for the taxpayers. Medicare didn't do that in the past. We're going to do it now.

And starting in '06, for the first time ever, there will be a prescription drug benefit available for people in Medicare. It's a—by the way, one of the things I insisted on was that somebody who is happy with the current Medicare system doesn't need to change. I mean, I fully understand there's a lot of seniors who don't want to change. I know that. We needed to change the system to make sure there was a prescription drug benefit available. But for seniors who are happy with Medicare, plus the prescription drug benefit, you're in great shape. As a matter of fact, the program just got better in 2006. And if you're a poorer senior, the Government will help you afford the cost of doing—the cost of medicine.

For other seniors, there's going to be more choices—for all seniors there's more choices. I mean, if you're happy with Medicare, fine. If you like the current Medicare + Choice, which will be called Medicare Advantage, that's going to be more robust, more available. If you want other options available to you, I always felt it was best to trust people, not Government, in order to—in the decisionmaking process.

And so we're moving down the road to make sure the system is modern and to make sure the system works. But today we're going to talk about the issuance of cards, drug discount cards that are now available to our seniors. And we've got some problems. One problem is there's misinformation about these cards. Another problem is, is that people—they feel like it may be too complicated, the procedures may be too complicated to get a drug discount card. Some of them say, "Well, it's not going to matter anyway." They've heard political promises before, and a lot of times they fall empty. So today we're going to talk about how to make sure our seniors understand that the drug discount card works.

We're going to talk to two folks who have used their card. As a matter of fact, I witnessed Wanda going to the pharmacy, local pharmacy here, and putting her card down, and her drugs—I think which would have cost her $19, cost her $1.70, something like that, just about the range we're talking about. I may not have the numbers exact.

Wanda Blackmore. That's about right.

The President. Yes, I didn't pay for it. [*Laughter*] The receipt is in her purse, I know. [*Laughter*] It was something like that.

And that's what we're here to talk about. I want our seniors to understand—and this will be repeated several times—that if you have any questions about the drug discount card, there is a way to get information that will help you, or there's a way for your son or daughter to get information to help you, and that is to call 1–800–MEDICARE. That's all you've got to do: pick up the phone, 1–800–MEDICARE. And people will answer the phone—is it 24/7—24/7. In other words, that means 24 hours a day, 7 days a week, somebody will be there to help and answer questions.

You're going to hear Mark talk about what the Federal Government is trying to do to make sure that you understand this information is available. There's other ways to—you can log on, if you happen to be a high-tech person, and use the Internet. You can go to www.medicare.gov. It's not all that hard, and there will be all kinds of information available to you.

And you're going to hear that there's a lot of different choices. You bet. That's what we want. We want there to be choices, different cards available. That's how you meet different needs. We don't want a "one size fits all." That's not a consumer-driven system. That's a Government-driven system. A consumer-driven system is one that allows consumers to make the choices on what's best for them.

So there's different cards, is what I'm telling you, to meet your needs. And I understand, for some that's going to be—it's going to be complicated, and some people just don't want their lives complicated. And—but you've got to know there's help. And just because it may seem complicated, that's not a good—I think people should not use that as an excuse to participate, because you're going to find there's good discounts; there's good savings. Fifteen percent on brand-name drugs, minimum. Isn't that right? Is "minimum" the right word to use—minimum? Thirty percent on generic drugs. Those are the drugs that after a patent has expired, they do the exact same thing as the brand-name drug but at a much cheaper cost.

And by the way, he was the head of the FDA before I put him in this position. And his job was to speed up generic drugs to the markets. People shouldn't be afraid of using generic drugs. They accomplish the same thing; you're going to save a lot of money. They asked Wanda—they said, "This is a generic drug, Wanda." She said, "Fine, let me have the generic drug. I know it's going to do the same thing as the brand-name drug, but it's going to cost me a heck of a lot less."

In other words, this discount card is going to save our seniors a lot of money. And I'm just about running out of air—[*laughter*]—you'll be happy to hear. [*Laughter*] Want me to keep talking? Okay. [*Laughter*] But she can tell it better than me.

But first, I want to start off with my friend Mark McClellan. He is a doctor and a Ph.D. He's from Texas. [*Laughter*] And he is the Administrator of the Centers for Medicare and Medicaid Services. That's his job. His job is to make sure the Medicare system works well and that as the law kicks in—in other words, as the system becomes more modern, his job is to make sure it happens

for the benefit of our seniors. I picked a smart guy to do this. He understands health care, and he understands the task. And the task is to make sure our seniors get the best health care possible, and our taxpayers get the best deal possible, as our seniors get the best health care possible.

And so, Mark, welcome. Thanks for coming. As I mentioned to you, he at one time was the head of the FDA, and he did such a fine job there that I gave him a tougher job. And so, Mark, thanks for coming. Share some stuff with us. Tell us what's on your mind. Tell us how our seniors can benefit from this program.

Mark McClellan. Thank you, Mr. President. It's a real pleasure to be here with you, with all of you here in Liberty, and especially to be working with Medicare at such a critical time. It's just 6 months since this new Medicare law was passed, and we already are having the opportunity to get drug cost down for seniors that need help right now and who have been waiting too long. There's been a lot of talk for a long time. We're actually implementing steps right now that are getting those costs down.

And that's coming about through a couple means. The cards is a start, but with the cards, you get a chance to band together, to stick together to get lower prices on your drugs, just like people who have had insurance for their drugs have been able to do for a while. That gets negotiated prices down from manufacturers, and that leads to savings. And on top of that, we're giving people more information on where they can get the best prices so they can comparison shop more easily.

You talked about the fact that consumers can really help us find better deals for Americans in many areas, but that's been tough in drugs. It's been hard to get prices and hard to know exactly what you can—what kind of deal you can get at different pharmacies and through different means available, through mail order, through other options like that. And we're going to put all that information in front of you with this program.

And as you said, Mr. President, what we're seeing through the drug card program is now savings of, very often, 15 to 30 percent or more off the list prices for brand-name drugs and much larger savings for generic drugs. And we'll also tell you about the generics when they're available, so you can find out about more ways to save through using generics, whenever they are available.

And some seniors have been able to get a little bit of help. They've been trying hard to find good deals. But often when you go to your neighborhood pharmacy, the best you can get is a pharmacy discount card that may give you a few percent off the drug store prices but don't let you negotiate to get those much lower prices. And that's where these real savings are coming from.

And the most important thing is for people who are having drug costs that are causing them trouble right now, or they're struggling with their costs, is to find out about this program. As you said, Mr. President, there's some easy ways to do that. You can call us at 1–800–MEDICARE, any time, day or night. You can go to the web site, www.medicare.gov.

And we've also made help available for the first time ever through some expanded programs in local areas. Joe is going to talk about this in a few minutes. But you can get face-to-face help. If you don't think you can follow through with a phone call, if you really want to talk to somebody face to face about this program, you can do that. Right here in Missouri, we're working with CLAIM. It's a State health insurance assistance plan that provides this personalized help for seniors, often working through volunteers who know this program well. So those are some simple ways that you can find out about what's in this program for you.

And the people who need help the most get the most help right away with this program. If you're struggling with drug costs today because you don't have good drug coverage, you should find out about it. But especially if you've got a limited income, below about $1,400 a month for a couple, about $1,040 a month for a single senior—about 7 million Medicare beneficiaries who are in that category, below those income levels, they can get not only the discounts but some direct financial help on their card—$600 this year, $600 next year, and there's some additional discounts coming from the drug manufacturers for them as well. So it amounts to

literally thousands of dollars in savings. And you can find out about it right now just by calling us at 1–800–MEDICARE, and we'll put you in touch with a face-to-face person if you want to get help that way.

The President. Good job, thanks. Do we have the program up and running where somebody can actually dial up—put in their ZIP Code, the pharmacies come up, they show the different prices for drugs in their neighborhood?

Dr. McClellan. That's exactly right.

The President. In other words, it's kind of a virtual market. It's kind of an interesting concept, isn't it? One of the things I believe is that markets have got a fantastic way of rewarding consumers with better quality and better price. And you can get on your web page or you can get on the computer, and you can shop—price shop right now in your particular ZIP Code. And that's a way, also, to make sure that better price available for our seniors.

Dr. McClellan. That's right. And if you don't want to go on the web, we can help you over the phone and send you something, a personalized brochure, that gives you as much or as little detail as you want about the best options for your own personal needs at the pharmacies that you want to use.

The President. Joe Tilghman is with us. Joe is the Administrator. He works with Mark. Don't worry about all the cameras. [*Laughter*] He is the Regional Administrator. He has been charged with helping people in this area understand the benefits of the drug discount card. He will then, once he completes that task here this year, he'll then be in charge of the '05 modernization of information, and then in '06 will be in charge with helping Mark implement the brand new law. And it's good. I'm telling you, it's going to make a big difference in our seniors' lives.

Joe, thanks. Welcome.

[*Joe Tilghman, Regional Administrator, Centers for Medicare and Medicaid Services (CMS), Department of Health and Human Services, Kansas City Regional Office, Kansas City, MO, made brief remarks.*]

The President. See, what you're hearing is, is that Mark has asked his team to go out and educate people. People need to understand the truth and the facts and what's available. That's what we're trying to get done here. And that's what we're trying to get done all around the country. And you're doing a fine job at it. Thank you.

Mr. Tilghman. Thank you, sir.

The President. Just keep putting the word out. This is a program that helps people. If you've got a mom or a dad out there that may be nervous about hearing the change in Medicare, talk to them. Call the number because this will help. And look, you're probably saying, "Another guy is showing up from Washington, laying out something that's just not true." Well, it's true.

And I'll tell you, who best to testify is Wanda—Wanda Blackmore. She and I, as I told you, we just went to a pharmacy. She—I was going to say, you whipped out your card, but you left your card there before, right? Anyway, they had her card, and she bought some drugs that is a blood thinner, right?

Ms. Blackmore. Right.

The President. Yes. Okay, talk into the mike. [*Laughter*]

Ms. Blackmore. Yes, sir. I was afraid you would try to over talk me if——

The President. That's right. [*Laughter*] Yes, your grandkids are here. She's talking to me like she does her grandkids. That's okay. [*Laughter*] I'm used to strong women. [*Laughter*].

Ms. Blackmore. I'm old enough to be your grandmother too.

The President. Okay. Let's get to work, will you? [*Laughter*]

[*Ms. Blackmore, senior, Kansas City, MO, made brief remarks.*]

The President. So here's the thing. Let me see if I can distill it, summarize what she just said. She got her card. The first time she used it was June 7th. On a prescription that usually cost $10, she paid $1.14. That's called savings. It looks like—we kind of did some rough math, didn't we, and it looks like you're going to save about $750 this year. And that's a lot. That's an awful lot for some people in this country, and I'm telling you this thing is working.

And I appreciate you coming to testify.

Ms. Blackmore. Yes, sir.

The President. There you go. She drove in with the limo—we're a little familiar with each other because she was in the limousine from the airport to here. [*Laughter*]

Ms. Blackmore. I got him lined out. [*Laughter*]

The President. That's right. All right, you're not the only person on the stage here. [*Laughter*]

Ms. Blackmore. I will be, if you keep talking like that. [*Laughter*]

The President. That's right.

Ms. Blackmore. I'll throw him out.

The President. All right, here we go. [*Laughter*] Yes, ma'am. [*Laughter*]

Ms. Blackmore. Thank you, sir.

The President. Gladys Cole.

Gladys Cole. Mr. President, I can tell you that your drug card is working.

The President. Okay, why can you say that?

Ms. Cole. Well, because I went and got my medicine that I had to give $120 for, and when I got through, I gave $20-something for that same medicine. So there's no doubt in my mind that it is working and working quite well.

The President. All right, how did you find out about the card? See, people are wondering out there how these two ladies found out about the card, and they may not have heard about it.

Ms. Cole. Well, my pharmacist knew that I had no prescription card, and so he knew what a price I'd been paying for my medicine. So when the leaflets come in for us to fill out, he asked me, would I take them home and fill it out. And he said, "I'll fax them in if you'll just fill them out." So I thought, "Oh, well, maybe 5 or $10," but 5 and $10 looked awful good to me. So I said, "All right." And when he got my medicine card, and I took it in, and he told me what the savings was, I about dropped my false teeth. [*Laughter*]

The President. We're talking about teeth up here. [*Laughter*] Now that you've recovered your false teeth—[*laughter*].

Ms. Cole. So I'm sold on it, and anytime I can tell you people out there that are of our age, try it out. See if it fits for you. And then if it don't, well, fine. But you need to at least try it and see.

The President. There you go. I appreciate you, Gladys. Thanks very much for sharing that.

It's estimated that over the next 7 months, she's going to save $700 for the year. That's good. Yes, that's a lot of money. These ladies qualify for the $600 subsidy. At a certain income level, people can qualify for additional help, not only get the card. If you don't qualify, you use the card anyway, because you're going to get your discounts. But you get $600 additional a year help.

Ms. Blackmore. This is the only time I've been glad to be poor. [*Laughter*]

The President. Who's writing your material for you? [*Laughter*]

Ms. Blackmore. I'm not going to tell.

The President. We didn't have enough room on the stage—well, we have plenty of room. Anyway—[*laughter*]—Roberta Sims and Betty Sten is with us too. Where are you? There you go. Thanks for coming, ladies. I appreciate you all being here. She got her—Roberta got her card, and she used it at Liberty Wal-Mart on June the 5th. She purchased over $300 in prescriptions and paid 22.62. That's a fact. It better be a fact. [*Laughter*] Betty got her card recently too and is going to save a lot of money, $500.

In other words, this is important. The reason we're here is to share information. We're trying to fight through the clutter, the noise, so that people can understand that there is a great opportunity to take advantage of a good piece of legislation. That's what we're here to talk about.

We want our seniors to be able to have the benefits of modern medicine in a way that is best affordable. That's what we're here to talk about, and if you don't believe me, just listen to the two ladies here on the stage. They go to their pharmacies; they put down their money; and they've seen the difference between what they had been charged and what they're paying now. And it's a real savings, and it's important savings. And I want to thank them for coming to share their stories. You have made the day much more credible—[*laughter*]—much more lively too.

Let me conclude by telling you this: I—you know, our country has been challenged. We're challenged to make sure that we're defended from an enemy that can't stand what

we believe in. We're challenged because the economy has been through quite a bit. It's now getting better, I might add. We've been challenged in a lot of ways. Our hearts are challenged every day when we realize amidst our plenty there are people who hurt.

The thing I want to share with you and remind you about, that this great country can overcome any challenge we face. This is a great country because of the values we believe in. It's a great country because of the citizens who inhabit her. And there's nothing, there's not one thing we can't do together to make sure the world is more free, the country is secure, and America is the best possible place it can be for all our citizens to call home.

Thanks for greeting us today. I'm so honored you came. May God bless you all.

NOTE: The President spoke at 3:32 p.m. In his remarks, he referred to Mayor Stephen P. Hawkins of Liberty, MO.

Statement on Signing Legislation To Address the Participation of Taiwan in the World Health Organization

June 14, 2004

Today, I have signed into law S. 2092, an Act concerning participation of Taiwan in the World Health Organization. The United States fully supports the participation of Taiwan in the work of the World Health Organization, including observer status. The United States has expressed publicly its firm support for Taiwan's observer status and will continue to do so. Consistent with the President's constitutional authority to conduct the Nation's foreign affairs, the Executive shall construe the Act to be consistent with the "one China" policy of the United States, which remains unchanged, and determine the measures best suited to advance the overall goal of Taiwan participation in the World Health Organization. The executive branch also shall construe the reporting requirement in section 1(c) of the Act in a manner consistent with the President's constitutional authority to withhold information the disclosure of which could impair foreign relations, the national security, the deliberative processes of the Executive, or the performance of the Executive's constitutional duties. As a matter of comity, the Secretary of State will continue to keep the Congress appropriately informed of the matters addressed by the reporting requirement.

George W. Bush

The White House,
June 14, 2004.

NOTE: S. 2092, approved June 14, was assigned Public Law No. 108–235.

Memorandum on Certification Concerning U.S. Participation in the United Nations Stabilization Mission in Haiti Consistent With Section 2005 of the American Servicemembers' Protection Act

June 14, 2004

Memorandum for the Secretary of State

Subject: Certification Concerning U.S. Participation in the United Nations Stabilization Mission in Haiti Consistent with Section 2005 of the American Servicemembers' Protection Act

Consistent with section 2005 of the American Servicemembers' Protection Act of 2002 (Public Law 107–206; 22 U.S.C. 7421 *et seq.*), concerning the participation of members of the Armed Forces of the United States in certain U.N. peacekeeping and peace enforcement operations, I hereby certify that members of the U.S. Armed Forces participating in the United Nations Stabilization Mission in Haiti (MINUSTAH) are without risk of criminal prosecution or other assertion of jurisdiction by the International Criminal Court because Haiti has entered into an agreement in accordance with Article 98 of the Rome Statute preventing the International Criminal Court from proceeding against members of the Armed Forces of the United States present in that country.

You are authorized and directed to submit this certification to the Congress and arrange for its publication in the *Federal Register*.

George W. Bush

[Filed with the Office of the Federal Register, 8:45 a.m., June 17, 2004]

NOTE: This memorandum was published in the *Federal Register* on June 18.

Memorandum on the Proposed Amendment to the United States/United Kingdom Agreement for Cooperation on the Use of Atomic Energy for Mutual Defense Purposes

June 14, 2004

Memorandum for the Secretary of Defense, the Secretary of Energy

Subject: Proposed Amendment to the United States/United Kingdom Agreement for Cooperation on the Use of Atomic Energy for Mutual Defense Purposes

I have reviewed and concur in the recommendations in your letter of June 7, 2004, recommending approval of a proposed amendment to the Agreement Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes. I note from your joint recommendation and concur with your assessment that the United Kingdom, by participating with the United States pursuant to an international agreement, is making substantial and material contributions to the mutual defense and security. The proposed Amendment will permit cooperation that will further improve our mutual defense posture and support our interests under the North Atlantic Treaty Organization. I hereby:

- approve the proposed Amendment to the 1958 Agreement;
- determine that performance under the proposed Amendment will promote and will not constitute an unreasonable risk to the common defense and security;
- approve the program outlined in this Amendment and determine that such program will promote and will not constitute an unreasonable risk to the mutual defense and security; and
- authorize the execution of the proposed Amendment for the Government of the United States in a manner specified by the Secretary of State.

George W. Bush

Message to the Congress Transmitting an Amendment to the United Kingdom-United States Agreement for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes

June 14, 2004

To the Congress of the United States:

I am pleased to transmit to the Congress, pursuant to section 123d. of the Atomic Energy Act of 1954, as amended, the text of an amendment to the Agreement Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes of July 3, 1958, as amended, and my written approval, authorization, and determination concerning the agreement. The joint unclassified letter submitted to me by the Secretaries of Energy and Defense that provides a summary position on the Amendment is also enclosed.

The Amendment extends for 10 years (until December 31, 2014) provisions that permit the transfer of nonnuclear parts, source, byproduct, special nuclear materials, and other material and technology for nuclear weapons and military reactors, and revises text, principally in the Security Annex, to be consistent with current policies and practices relating to personnel and physical security.

In my judgment, the proposed Amendment meets all statutory requirements. The United Kingdom intends to continue to maintain viable nuclear forces. In light of our previous close cooperation and the fact that the United Kingdom has committed its nuclear forces to the North Atlantic Treaty Organization, I have concluded that it is in our interest to continue to assist them in maintaining a credible nuclear force.

I have approved the Amendment, authorized its execution, and urge that the Congress give it favorable consideration.

George W. Bush

The White House,
June 14, 2004.

NOTE: An original was not available for verification of the content of this message.

The President's News Conference With President Hamid Karzai of Afghanistan

June 15, 2004

President Bush. Good day. Laura and I are pleased to welcome President Karzai back to the White House—really glad you're here.

President Karzai. Thank you very much.

President Bush. Thanks for the good visit, and I'm looking forward to having a good lunch with you and your delegation.

President Karzai. Well, I'm looking forward to that.

President Bush. President Karzai recently visited Fort Drum and thanked American troops on behalf of the Afghan people——

President Karzai. Yes.

President Bush. ——for their service and sacrifice. And Mr. President, that was a sign of a true friend. I want to thank you for doing that.

President Karzai. Thank you very much.

President Bush. I also appreciate your honor and your courage and your skill in helping to build a new and democratic Afghanistan. You've been instrumental in lifting your country from the ashes of two decades of war and oppression. Under your leadership, Afghanistan's progress has been dramatic.

Three years ago, the Taliban had granted Usama bin Laden and his terrorist Al Qaida organization a safe refuge. Today, the Taliban has been deposed; Al Qaida is in hiding; and coalition forces continue to hunt down the remnants and holdouts. Coalition forces, including many brave Afghans, have brought America, Afghanistan, and the free world its first victory in the war on terror. Afghanistan is no longer a terrorist factory sending thousands of killers into the world.

Three years ago, 70 percent of Afghans were malnourished, and one in four Afghan children never saw their 5th birthday.

President Karzai. Yes.

President Bush. Today, clean water is being provided throughout the country; hospitals and clinics have been rehabilitated; and millions of children have been vaccinated against measles and polio.

Three years ago, women were viciously oppressed and forbidden to work outside the home and even denied what little medical treatment was available. Today, women are going to school, and their rights are protected in Afghanistan's constitution.

President Karzai. Yes.

President Bush. That document sets aside a certain number of seats for women in the National Assembly, and women will soon compete for those seats in open elections this September.

Three years ago, the smallest displays of joy were outlawed. Women were beaten for wearing brightly colored shoes. Even the playing of music and the flying of kites were outlawed. Today, we witness the rebirth of a vibrant Afghan culture. Music fills the marketplaces, and people are free to come together to celebrate in open.

Afghanistan's journey to democracy and peace deserves the support and respect of every nation, because free nations do not breed the ideology of terror. Last week, at the G–8 Summit, President Karzai talked with world leaders about the challenges of building a secure and stable country.

My Government reaffirms its ironclad commitment to help Afghanistan succeed and prosper. Security is essential for steady progress and growth. The forces of many nations are working hard with Afghans to find and defeat Taliban remnants and eliminate Al Qaida terrorists. We're helping to build the new Afghan national army and to train new Afghan police and border patrol. Together, we will maintain the peace, secure Afghanistan's borders, and deny terrorists any foothold in that country.

I'm proud to call President Karzai a strong ally in the war on terror.

The United States is also joining with Afghanistan to announce five new initiatives that will help the Afghan people achieve the peace, stability, and prosperity they deserve. First, the United States pledges its full support as Afghans continue to build the institutions of democracy. America will launch an ambitious training program for newly elected

Afghan politicians and help newly elected Assembly members better serve those who elected them.

Second, Afghanistan and America are working together to print millions of new textbooks and to build modern schools in every Afghan province. Girls as well as boys are going to school, and they are studying under a new curriculum that promotes religious and ethnic tolerance. We pledge to continue this progress through a new $4 million women's teacher training institute in Kabul. Graduates of this innovative program will return to their provinces and rural districts to train other teachers in the crusade against illiteracy.

Education can be nurtured in other ways as well. Cultural exchange programs help to foster understanding and respect as well as accelerate progress. Last year, close to 100 Afghans studied here in various training programs. More want to come to learn and to share their experiences, so our third initiative will expand these opportunities to include more than 250 qualified Afghans who will participate in Humphrey, Fulbright, Cochran, and other exchange programs.

Fourth, to promote bilateral economic ties, the United States and Afghanistan announced our intent to pursue a bilateral trade and investment framework agreement. Years of war and tyranny have eroded Afghanistan's economy and infrastructure, yet a revival is underway. Afghans are busy starting their own businesses. Some 15,000 licenses have already been issued for foreign businesses and investors to explore economic opportunities in Afghanistan. Working with Japan, we have rebuilt the Kandahar-Kabul Highway, a vital commercial and transportation link between Afghanistan's two largest cities. A bilateral trade agreement will add new fuel to the economic revival.

And finally, we pledge to continue our efforts to create opportunities for women. The United States is dedicating $5 million to fund training programs and grants for small businesses. Under the Taliban, women were oppressed; their potential was ignored. Under President Karzai's leadership, that has changed dramatically. A number of innovative programs designed in collaboration with the Afghan Government are increasing the role of women in the private sector. The traditional funding we announce today—the additional funding we announce today will provide Afghan women with small-business grants and training in business management skills. As my wife, Laura, has said, no society can prosper when half of its population is not allowed to contribute to its progress.

The road ahead for Afghanistan is still long and difficult. Yet, the Afghan people can know that their country will never be abandoned to terrorists and killers. The world and the United States stands with them as partners in their quest for peace and prosperity and stability and democracy.

Welcome, President, glad you're here.

President Karzai. Thank you very much. Thank you. Mr. President, it's a tremendous privilege and honor for us to be invited again by you and the First Lady to the White House. It was a great honor for me today to be speaking to a joint meeting of the U.S. Congress. I will cherish that memory of talking to the representatives of the American people.

There, today I thanked America for the help that it gave us liberate ourselves and rebuild ourselves and prosper. That help has been the source of all growth in the past 2 years. Our economy in the year 2002 grew by 30 percent, in the year 2003 by 25 percent or more. In the year 2004, the growth is estimated to be 20 percent. And we are hoping, as some of the banks have predicted, that the Afghan economy will grow 'til 2008 by 15 percent, and beyond that, for another 5 years, by 10 percent.

Thank you very much. This could of not been possible without your help, without America's assistance.

We are sending today 5 million children to school. Almost half of those children are girls. Our universities are open. Our universities are coming up in all—all over the country, in other provinces of the country. We are building a national army, a vital institution for the defense of our country. You want us to stand on our own feet; you want us to defend our own sovereignty and provide security to our people; and you're helping us do that.

The national army of Afghanistan is popular with the Afghan people. Wherever they

go, people receive them with welcome. In Farah Province, where they went some months ago, school girls and boys gave them flowers. Thank you very much for that.

We are also building our police forces. We have a constitution that we have today which is the most enlightened in that part of the world. And that constitution has been made possible because of the liberation that you helped us gain and because of the stability that the United States helped us have in Afghanistan. As a result of that, we have a constitution that sets us as an example of an Islamic democratic state. Thank you very much, Mr. President, for that.

We are looking forward in this relationship to a stronger relationship, and I'm sure the United States will remain committed to Afghanistan. Afghanistan is, in the month of September, looking forward to elections, Presidential elections and elections of parliament and elections of the provincial assemblies and district assemblies.

So far, we have registered 3.8 million voters, and out of the 3.8 million voters, Mr. President, 35.4 percent are, so far, women. And as the trend continues, as we move forward to the registration of more voters, the number of women registering will exceed, definitely, 40 percent. In certain parts of the country, in the central highlands, today I learned that the registration of women has exceeded that of men. They are more than 50 percent. This could have not been achieved in Afghanistan without your help and that of the international community.

Afghanistan has problems too. Among the problems is the question of drugs. The Afghan Government is adamant—the Afghan people are adamant to fight this menace, to end it in Afghanistan, and receive your help in that.

Thank you very much, Mr. President. It's been nice visiting the United States again. One likes to stay here and not go, it's such a good country. [*Laughter*] Thanks very much.

President Bush. Get home and get to work, will you?

President Karzai. Thank you, yes. [*Laughter*]

President Bush. We'll answer some questions, in the tradition of democratic societies. Are you ready? We'll start with Hunt [Terence Hunt, Associated Press].

President Karzai. I'm ready. I now know, Mr. President, what the free press means. We have it in Afghanistan.

President Bush. That's good.

Hunt.

Saddam Hussein/Usama bin Laden and Mullah Omar

Q. Mr. President, Iraq's Prime Minister says the new government expects to take custody of Saddam Hussein and all other detainees when sovereignty is transferred in about 2 weeks, and your spokesman says that that's under consideration. Will you turn him over by that date, and what factors are you weighing in that decision?

And President Karzai, who will try Usama bin Laden and Mullah Omar when they're caught?

President Bush. We're working with the Iraqi government on a couple of issues. One is the appropriate time for the transfer of Saddam Hussein, and secondly, we're working to make sure there's appropriate security. I mean, one thing, obviously, is that we don't want and I know the Iraqi interim government doesn't want is there to be lax security and for Saddam Hussein to somehow not stand trial for the horrendous murders and torture that he inflicted upon the Iraqi people. So we're working with them.

President Karzai. Usama and Mullah Omar have committed crimes against the Afghan people, against the people in the United States, and against the international community. They are international criminals. They are wanted by the international community. They are wanted by the world conscience. They have to be arrested and tried. And when they are arrested, we will consult the international community and find appropriate mechanism for their trial.

President Bush. Caren [Caren Bohan, Reuters].

Muqtada Al Sadr

Q. Mr. President, you've referred to Muqtada Al Sadr as a thug, and your administration has promised to bring him to justice. Is it appropriate for the new interim Iraqi

government to now welcome him into the political fold?

President Bush. The interim Iraqi government will deal with Al Sadr in the way they see fit. That's—they're sovereign. When we say we transfer full sovereignty, we mean we transfer full sovereignty, and they will deal with him appropriately.

Let's see here. Do you want to run the table, or do you want to go eat lunch?

President Karzai. Go ahead.

President Bush. Run the table, okay.

Holly [Holly Rosenkrantz, Bloomberg News].

Q. Mr. President——

President Bush. Hold on a second, I'll get you in a minute, please. A little patience in front of the President here.

Holly.

National Economy

Q. Mr. President, there are signs that inflation may be on the horizon in the U.S. economy. How concerned are you about this? What are you—I mean, do you think this might slow down the recovery that you've been so happy about? Also, if I can ask you a followup on the security about Saddam Hussein. What guarantee——

President Bush. How many questions? One question apiece. If we're going to stand out here in 100-degree temperature, let's just have one question.

Q. Okay.

President Bush. You can pass your question on to some other person, and I might call on them. I'm not so sure I'm going to be so international this press conference. [*Laughter*]

The first question was about am I concerned about economic vitality? I'm pleased with—what?

Q. ——inflation——

President Bush. No, I thought you said am I worried that inflation is going to—what I'm pleased about is the fact that our economy is strong and is getting stronger. All indications are—is that the economic stimulus plan we put in place is working. There's strong growth. There is—there are new jobs being added. Consumer spending is up. Disposable—after-tax disposable income is high. In other words, the ingredients for continued economic growth are present, and I'm very pleased. I'm particularly pleased because it means that workers are able to do their duties to their families.

And I am an optimistic person. I guess if you want to try to find something to be pessimistic about, you can find it, no matter how hard you look, you know? I'm optimistic. I have seen what we have come through. We've been through a recession, a national emergency, corporate scandals, a war, and yet, our economy is incredibly strong, which speaks to the great vitality of the American entrepreneurial spirit and the vibrancy of the small-business sector. And the plans we put in place are working.

There's more to do. We need an energy plan out of the United States Congress if we expect our economy to grow in the long term. We need tort reform. We need to make sure that the—we deal with the cost of health care in a rational way by not empowering the Federal Government, I might add, but by empowering consumers. And I've laid out such a plan to do so.

I mean, there's other things we need to do. We need to make sure that we don't become economic isolationists. And—no, I'm optimistic about the future.

Roberts [John Roberts, CBS News], I take it you had a question to ask.

Q. If I could just pick up on that, sir, about pessimism. Your presumed Democratic challenger is spending this week and next harshly critical of your economic policies. And while things have looked good in the last few months, could the case not be made that over the longer term of your administration, that you're still operating at an economic deficit?

And what do you plan to do to avoid the fate of Bush 41 who didn't get credit for an improving economy in an election year?

President Bush. Well, I think one thing the American people have seen is that I know how to lead. When I first came to office, the economy was headed into a recession, and we acted. We acted in a way that called upon the true strength of the American people, and that is we encouraged the entrepreneurial spirit to flourish by letting people keep more of their own money.

In other words, some might have said, "Well, let's strengthen the Federal Government." I made the decision to strengthen the pocketbooks of the people. And they had more money to spend, and our policy is working. And not only that, we stimulated growth in the small-business sector. See, I recognized most new jobs are created by small-business owners, and a significant part of the economic stimulus plan was aimed at small businesses so that they would have confidence to expand and grow, and they have.

And we also have overcome corporate scandal, which we acted in a bipartisan fashion on to make it clear that we're not going to tolerate dishonesty in the boardrooms of America. In other words, we acted, and the economy is getting better.

We've overcome a lot. We've overcome a lot through good policy, but we've overcome a lot because I have great faith in the American people, in the small-business owners and the entrepreneurs and the workers of the country. And we're getting—not only are we strong today, we're getting stronger. Our economy is the strongest of any major industrialized nation in the world, and there's more work to do, see.

Go ahead, Terry [Terry Moran, ABC News]. No, you've asked your question. Terry. Hold on for a second. Terry. Thank you, though.

Transfer of Iraqi Prisoners/Saddam Hussein

Q. Mr. President, back on the Iraqis being detained by U.S. forces. If the Iraqi government is truly going to be sovereign after June 30th, and if they are expressing the desire to take control over their own citizens——

President Bush. Right.

Q. ——and the coalition disappears, by what authority——

President Bush. And what coalition disappears?

Q. If the Coalition Provisional Authority, I'm sorry——

President Bush. Okay.

Q. ——the entity disappears——

President Bush. Yes.

Q. ——by what authority does the United States continue to hold the citizens of a sovereign country——

President Bush. I fully agree that it's a sovereign country. That's why we're working with them to make sure that there is good security. Look, nobody wants Saddam Hussein to leave, and when there's a transfer of responsibility, we want to make sure that he is secure. He's a killer. He is a thug. He needs to be brought to trial. We want to make sure that the transfer to a sovereign government is done in a timely way and in a secure way. That's what we're discussing with the government.

Yes, Stretch [Richard Keil, Bloomberg News]. And then you next.

2004 Election

Q. Mr. President, thank you. Just to follow up on John's question, in Afghanistan, things are improving, as you've mentioned. In Iraq, we're about to transfer sovereignty. And even domestically, the economy is booming. Why is it that you're having trouble pulling ahead of your opponent, John Kerry? I know you don't pay attention to the polls, but we are 4½ months from election day.

President Bush. Yes.

Q. What can you do to improve your political standing as the campaign moves forward?

President Bush. You see, I think you answered your own question. We are 4½ months from election day. In other words, there's a long time before the election. I'm just going to do my job, Stretch. My job is to continue to lead. My job is to say to the American people, "Follow me. The world is going to be better. The world will be more free. The world will be more peaceful. The world will be—America will be a stronger country because our economy will improve. America will be a better country because we're calling upon the compassion of our fellow citizens to help a neighbor in need."

Iraqi Security

Q. Mr. President, I want to follow up on this issue of Iraqi security because I'm detecting some reservation that you may have about the Iraqis' ability to really head up their own security after June the 30th, because you seem to signal that there are concerns about their ability to even continue to detain Saddam Hussein. So what will happen between now and June 30th that would help

you overcome that concern? And just related to that, there was a report from Baghdad yesterday indicating that after the deadly bombing, car bombing, that Iraqi police, as crowds gathered against the United States, just stood around and didn't do anything. Why is that happening?

President Bush. Which question do you want me to answer?

Q. Well, I think they're related; both——

President Bush. No, they're not. [*Laughter*]

Q. Please, I'll say, please.

President Bush. Look, it's very hot out here. We've got a President from a—a respectful President here. Why don't you just ask one question, if you don't mind? I don't mean to be telling you how to do your business. All right, I'll answer both. [*Laughter*]

First, I just want to make sure that as—when sovereignty is transferred, Saddam Hussein is—stays in jail. That's just a matter of discussion and understanding the procedures. That's all we're saying. I'm confident that when it's all said and done, he will stay in jail. I just want to be assured.

Listen, we've got—we're over there for a reason. We're over there to make our country more secure, and one way to do so was to make sure Saddam Hussein was not in power. Secondly, we're there to help the Afghan—I mean, the Iraqi people. We want to make sure that he doesn't come back to power. And so, therefore, it's a legitimate question to ask of the interim government, "How are you going to make sure he stays in jail?" And that's the question I'm asking. And when we get the right answer, which I'm confident we will, we will work with them to do so. Then we'll all be satisfied.

Wendell [Wendell Goler, Fox News].

Q. Mr. President——

Q. How about the second part?

President Bush. The second part was what? I forgot. It was so long ago that you asked it——

Q. I know. I apologize. I was long-winded.

President Bush. Oh, why did they stand back—look, the Iraqi people are going to have to figure out how to make sure their country is secure enough for a free government to emerge. And what you're watching is a government learning how to protect itself. The transfer of sovereignty to Iraq means not only will they have the freedom to make decisions on behalf of their people, but they will have to secure their own country. And you're watching this happen. You also heard the comments of Prime Minister Alawi, who made it very clear that these types of acts are terrorist acts against the Iraqi people.

Wendell.

Reactions of Iraqis and Afghans to Coalition Presence

Q. Mr. President, how do you explain why the success we've had in Afghanistan appears to be eluding us in Iraq? Is it possible that the Afghan people objected to the Taliban more strongly than the Iraqi people objected to the reign of Saddam Hussein?

President Bush. No, that's not possible. The Iraqi people objected to the reign of Saddam Hussein, and you would, too, if you lived there, where you couldn't express yourself, where you got tortured, where there was mass graves.

This is hard work, and it wasn't easy work in Afghanistan, by the way. I mean, it seems easy now that we're standing here, Wendell, after several years of working together with this great leader, but it was hard work. And out of kind of the desperate straits that the Afghan people found themselves is now a welcoming society beginning to grow. And the same thing is going to happen in Iraq.

These aren't easy tasks. I mean, somehow there's this expectation, "Well, all this is supposed to have happened yesterday." That's just not the way it works when you go from a society that has—that was subjugated to a tyrant—by a tyrant to a free society. And the President will tell you, it's hard work. It may look easy in retrospect, but it's not easy. And that's why it's very important for us to speak clearly to the people of Afghanistan and in Iraq that the United States will help them, will stay and help them fulfill the mission, which is a free and peaceful Afghanistan, a free and peaceful Iraq, which are in our Nation's interests.

First, it's in our interest that we defeat terrorists there than fight them here. That's our short-term security interest. Secondly, it's in our long-term interests that we work for free

societies in parts of the world that are desperate for freedom. And the reason I keep saying that, Wendell, is because I know that a free society is a peaceful society. And America is interested in working with friends to promote the peace, and that's what we're doing. The short-term solution for our security problem is to find the terrorists and bring them to justice before they hurt Americans again, is to deny them training bases, is to deny them affiliates and allies in the war on terror. That's what we have done in Afghanistan and Iraq.

The long-term solution is to promote free societies that are able to defeat the forces of pessimism, darkness, intolerance, and hatred.

Okay, a couple more questions. Yes. Let me work my way through the TV readers.

Q. On another issue, have you been——

President Bush. Which one, you or Sanger [David Sanger, New York Times]?

Q. Me. [*Laughter*]

President Bush. Okay.

CIA Employee Identity Disclosure Investigation

Q. On another issue, have you been called to answer questions regarding the CIA leak? And have you retained the attorney——

President Bush. You need to call—you need to talk to the counsel over there.

Yes, Elisabeth [Elisabeth Bumiller, New York Times].

President's View on the Role of Religion

Q. ——Ron Reagan's remarks at the former President's funeral——

President Bush. I didn't hear them.

Q. He said that politicians should not wear religious faith on their sleeve. And a lot of Republicans interpreted those remarks as being critical of you and your position on stem cell. I'd like to ask you about that.

President Bush. Whether or not a politician should wear their—I've always said I think it's very important for someone not to try to take the speck out of somebody else's eye when they may have a log in their own. In other words, I'm very mindful about saying, you know, "Oh, vote for me. I'm more religious than my neighbor." And I think it's perfectly—I think it's important for people of religion to serve. I think it is very important for people who are serving to make sure there is a separation of church and state.

Yes.

Status of Military Contractors Under Iraqi Interim Government

Q. Mr. President, questions are being raised about the legal status of U.S. military contractors in Iraq. Your administration is asking for them to be granted immunity by the incoming Iraqi government. If they aren't going to operate under Iraqi law, will they operate under U.S. civilian law or under what legal jurisdiction?

President Bush. I need to make sure I stay in touch with the lawyers on this subject. They are the ones who are raising the issue. We'll continue to work the issue.

Q. So you haven't decided yet?

President Bush. Right.

Mike [Mike Allen, Washington Post].

Q. Mr. President——

President Bush. Yes. I'm getting distracted over here, there seems to be some noise.

Saddam Hussein and Terrorist Connections

Q. The Vice President, who I see standing over there, said yesterday that Saddam Hussein has long-established ties to Al Qaida. As you know, this is disputed within the U.S. intelligence community. Mr. President, would you add any qualifiers to that flat statement? And what do you think is the best evidence of it?

President Bush. Zarqawi. Zarqawi is the best evidence of connection to Al Qaida affiliates and Al Qaida. He's the person who's still killing. He's the person—and remember the e-mail exchange between Al Qaida leadership and he, himself, about how to disrupt the progress toward freedom.

Saddam Hussein also had ties to terrorist organizations as well. In other words, he was affiliated with terrorism—Abu Nidal, the paying of families of suiciders to go kill innocent people. I mean, he was no doubt a destabilizing force. And we did the absolute right thing in removing him from power, and the world is better off with him not in power.

I look forward to the debate, for people saying, "Oh, gosh, the world would be better off if Saddam Hussein were still in power." I think we'd have trouble finding takers, particularly those in Iraq as well. They're now living in a free society, and I repeat, it's hard work to go from Saddam Hussein to a free society. But we'll get there. And we'll get there because people want to be free. That's why we'll get there. People long to live in freedom. And the United States—and I will continue to make it clear that we will not abandon those who are building free societies, whether it be in Afghanistan or whether it be in Iraq.

Richard [Richard Benedetto, USA Today].

Movement Toward Democracy in Afghanistan

Q. Mr. President, there have been some reports that the Afghan Government has been cooperating with warlords, former warlords in Afghanistan, and I wondered if you talked about that with President Karzai today——

President Bush. Yes, I did.

Q. ——and how you feel about it?

President Bush. I did, and he can answer the question, what he told me.

President Karzai. Yes. See, Afghanistan is emerging from years of oppression to a free, democratic society. And in democracy, you are supposed to be talking to each other. You are supposed to be preparing the country for a better future by negotiating and by understanding each other. And as the Afghan President, it's my job to take that nation, the Afghan people, into a better future, through stability and peace, to a higher degree of democracy, to the elections. It's my job to do that peacefully. It's my job to keep stability and peace in Afghanistan. And I will talk to anybody that comes to talk to me about stability and peace and about movement towards democracy.

No deals have been made. No coalitions have been made, and no coalition will be made. And they did not ask for it. First of all, we don't call them warlords. Some of those people are respected leaders of the Afghan resistance. Some of them are former Presidents, and we respect them in Afghanistan. Yes, there are bad people in the country as well with whom we're not making a deal, with whom we are not talking. This country is moving forward. It's a society now emerging with a strong civil society sense in institutions, and that's what we are doing there.

President Bush. Mr. President, thank you very much.

President Karzai. Thanks very much.

President Bush. Lunch awaits us.

President Karzai. Lunch awaits us, indeed. Thank you.

NOTE: The President's news conference began at 11:27 a.m. in the Rose Garden at the White House. In his remarks, he referred to Usama bin Laden, leader of the Al Qaida terrorist organization; former President Saddam Hussein of Iraq; Muqtada Al Sadr, Iraqi Shiite cleric whose militia engaged in an uprising in Iraq which began in early April; Prime Minister Ayad al-Alawi of the Iraqi interim government; senior Al Qaida associate Abu Musab Al Zarqawi; and Palestinian terrorist Abu Nidal, who was found dead in Baghdad, Iraq, on August 19, 2002. President Karzai referred to Mullah Omar, head of the deposed Taliban regime in Afghanistan.

Joint Statement Between the United States of America and the Transitional Islamic State of Afghanistan

June 15, 2004

The United States and Afghanistan are working together to keep Afghanistan irreversibly on the path toward constitutional democracy and toward an honored place in the world community as a nation that invests in its people and provides its citizens with economic opportunity and security. President Bush and President Karzai applaud the efforts of coalition and Afghan forces and of countless Afghan and international workers who have joined to build a new Afghanistan on the ruins of the old. Afghanistan today represents an enormous strategic success for the United States and the world and a political and economic success for the Afghan people who have endured a quarter century of conflict. A country that was seized by terrorists to serve as the global headquarters of hate and oppression is now returned to her people and has become a land of liberty and

opportunity for Afghans and a strong ally in the international war on terror.

President Karzai conveys his heartfelt thanks to the American people for their continued support and recognizes the American servicemen and servicewomen who are fighting—and especially those who have died—alongside Afghan and other coalition forces to secure a better future for his country. President Karzai underscores that Afghan and coalition forces are winning the war against terror in Afghanistan, even as reprehensible but isolated attacks continue against aid organizations, coalition forces, and Afghan civilians. These attacks will not be allowed to deny the Afghan people their rightful future.

President Bush joins President Karzai in acknowledging the indispensable support of the United Nations, NATO, and many international partners in the historic effort to secure and rebuild Afghanistan. The effort has been a model of international collaboration, and its success will be a lasting tribute to all who have joined together with the Afghan people in this common task.

A PARTNERSHIP FOR THE FUTURE

President Bush and President Karzai acknowledge the ties of mutual friendship and interest that bind the two countries together and pledge to build on these ties, forging a broad and lasting partnership for the future. This partnership will embrace a range of activities that represent shared interests in building democracy, investing in the Afghan people, creating economic opportunity, and strengthening security.

Promoting Democratic Governance

The United States and Afghanistan share the common conviction that democracy is the foundation of lasting stability. Afghanistan has a new constitution that offers a solid foundation for its future as a democracy that respects civil liberties and the rights of women and minorities. Presidential and Parliamentary elections are planned for September, and so far three million Afghans have registered to vote, including a million women.

The United States pledges its continued full support as Afghans go to the polls and begin to build the institutions of democracy, including a Parliament that is responsive to the needs of the people. The United States will launch a new two-year program to train parliamentarians and equip them to fulfill their constitutional role. This program complements the efforts of other international donors to support Afghanistan's democratic process.

Investing in People

The United States and Afghanistan share the common conviction that to invest in people is to invest in the future. Afghans will go to the polls amid countless tangible signs of progress, including hundreds of new schools, thousands of newly-trained teachers, and millions of new textbooks. Over 140 clinics have been constructed, 3,400 health workers have been trained, and over 4 million children vaccinated.

Afghanistan's richest resource is its people, and President Bush joins President Karzai in recognizing the central importance of training and education programs. The United States is now inaugurating a set of fellowship and exchange programs that will bring Afghan scholars and youth to the United States. The United States will also support a new $5 million Women's Teacher Training Institute in Kabul to remedy the critical shortage of certified teachers in the provinces. Graduates of the teacher training program will return to their provinces to train others, engaging thousands of children and young adults and building literacy in rural Afghanistan.

Strengthening Economic Opportunity

The United States and Afghanistan share the common conviction that with economic opportunity Afghan men and women will forge a new future for themselves and their country. Afghanistan has a stable currency and an economy that grew 30 percent last year. Its cities are bustling with commerce and investment is growing. It has thousands of new wells and irrigation works and hundreds of miles of new roads that are steadily drawing the country together again after decades of war and destruction.

President Karzai emphasizes his determination to set Afghanistan on the path to sustainable economic growth and financial

self-sufficiency. He recognizes that international aid cannot and should not last forever and views private investment and market forces as the long-term engine of economic growth. Afghanistan has signaled that it is committed to integrating into the global economic community and plans to seek WTO observer status. To promote bilateral economic ties, the United States and Afghanistan announce their intent to pursue a bilateral Trade and Investment Framework Agreement. The United States is also pleased to announce that work will begin this month on three new industrial parks that will spur foreign and domestic investment. The United States and Afghanistan see the power sector as a central priority in the next stage of Afghanistan's development and will work together to develop power generation capacity and electricity distribution networks. To help create opportunities for women, the United States is dedicating $5 million to fund training programs and grants for small businesses, providing Afghan women with sustainable jobs, management skills training, and a self-sustaining credit facility.

Enhancing Security

The United States and Afghanistan share a common conviction that success in establishing security and attacking the narcotics trade is essential for progress on all fronts. President Bush reaffirms the commitment of the United States to provide continued support in the security arena, and President Karzai reports that Afghanistan has already made significant progress. Its National Army is 9,500 strong and growing, and is being deployed to the far reaches of the country. Its U.S.- and German-trained police force now numbers 18,300 and will soon reach 24,500. The United States is encouraged by President Karzai's decree requiring the disarmament, demobilization, and integration of all militias and pledges to support its full implementation.

Building on this strong foundation, the United States and Afghanistan announce their intent to establish a long-term security relationship that will include continued training and materiel support. The United States will continue helping Afghanistan establish its National Army—including regional commands—and will further strengthen the capacity of the Ministry of Defense and General Staff. President Karzai reaffirms his commitment to build a strong economy, free of drug trafficking; and the United States is committed to assisting the Afghan Government in this endeavor.

A LONG-TERM COMMITMENT

President Bush reaffirms the long-term commitment the American people have made to Afghanistan. He and President Karzai join in recommitting both countries to the challenge of building a democratic, prosperous, and secure future for the Afghan people.

NOTE: An original was not available for verification of the content of this joint statement.

Satellite Remarks to the Southern Baptist Convention

June 15, 2004

Thank you all. Thank you very much, Jack. Thank you all very much. Thank you all. Thanks a lot. I appreciate that kind introduction from a fellow Texan. And I'm grateful for the chance to speak to this annual meeting of the Southern Baptist Convention. Jack, you've done a great job, and I'm proud to call you friend.

Laura and I are also thankful for your prayers. I have felt them at crucial hours. Your convention has a proud tradition going back to your first gathering in Augusta, Georgia, almost 160 years ago. You represent more than 16 million Southern Baptists and congregations all across our country and many others who serve as missionaries far from home. And all of you are living out the high calling of spreading the good news and proclaiming the Kingdom of God.

Since I spoke to this convention 2 years ago, our country has been meeting great challenges. To defend our Nation, we have continued to pursue terrorists wherever they hide and plan, and one by one, we are bringing them to justice. In Afghanistan, we are standing with the Afghan people as they move toward free elections. In Iraq, America and our allies have set an entire nation free from the rule of a dictator. And at the end

of this month, the world will see a sovereign government in Baghdad.

The rise of free societies in Afghanistan and Iraq will provide a powerful example of liberty in a troubled region, and it will make the American people more secure. There are tough challenges remaining in both these nations. In Afghanistan and Iraq, we will finish the job.

I appreciate your strong support for our efforts in the war on terror. I understand, as you do, that freedom is not America's gift to the world. Freedom is the Almighty God's gift to every man and woman who lives in this world.

We are grateful for the blessing to live in a free nation with the strength to defend our Nation. And we will always be grateful to the brave men and women of the United States military who volunteer to defend us all.

Here at home, we're making tremendous progress, and we've made tremendous progress over the past few years. We've reduced the tax burden on America's families and small businesses, leaving more money in the hands that earned it and, therefore, adding momentum to the growth of our economy. We've created more than 1.4 million jobs since last August. And over the past year, our economy has grown at its fastest rate in nearly 20 years.

We brought high standards and accountability to the public schools so that no child is left behind. We've kept the commitments of Medicare by extending the benefits of modern health care and prescription drugs to millions of America's seniors and people with disabilities.

We will build on our achievements in other areas as well. I will keep working to build a culture of life in America. I've been proud to sign the Born-Alive Infants Protection Act and legislation supporting maternity group homes. Earlier this year, I signed the Unborn Victims of Violence Act. Common sense and conscience tell us that when an expectant mother is killed, two lives are ended, and the criminal should answer for both crimes. Last November, I signed a law to end the brutal practice of partial-birth abortion. This law is not only valid and constitutional; it is compassionate and urgently needed; and my administration will fight to uphold it.

We will also continue our support for crisis pregnancy centers, incentives for adoption, and parental notification laws. I proposed to double Federal funding for abstinence programs in schools and community-based programs. And I will work with Congress to pass a comprehensive and effective ban on human cloning. Life is a creation of God, not a commodity to be exploited by man.

My administration is defending the sanctity of marriage against activist courts and local officials who want to redefine marriage forever. The union of a man and woman is the most enduring human institution, honored and encouraged in all cultures and by every religious faith. And Government, by strengthening and protecting marriage, serves the interests of all. So I am calling for funding for healthy marriage programs, and I support a constitutional amendment to protect marriage as the union of a man and a woman.

I will continue our efforts to defend the liberty of religious organizations. Faith-based charities have a right to provide publicly funded social services, just like any other group. You see, our Government should welcome faith. So I have signed an Executive order allowing religious charities who seek Government support to compete for funding on a level playing field. I call on Congress to codify my Faith-Based Initiative into law, so that people of faith can know Government will never discriminate against them again.

It is my responsibility as your President to make sure the judicial system runs well, and I am meeting that duty. I have nominated superb men and women for the Federal courts, people who will strictly interpret the law, not legislate from the bench as activist judges. Some Members of the Senate are resorting to unprecedented tactics to block votes on my good nominees. This is unfair to the nominees and damaging to the judicial system. Every nominee deserves a fair hearing and a timely vote on the Senate floor. It is time for those Senators to stop playing politics with American justice.

These years have brought trials we did not ask for and challenges we never expected to face. We have worked together, and we are

rising to meet the duties of our time. Now we look forward with confidence and faith toward greater security and wider prosperity and a stronger culture of life. We pray always for God's guidance and strength in our lives and for this great nation.

I thank you for the opportunity to speak to this convention. I'm sorry I couldn't be there in person. May God bless all of you, and may God continue to bless the United States of America.

NOTE: The President spoke by satellite at 3:51 p.m. from the Map Room at the White House to the annual meeting in Indianapolis, IN. In his remarks, he referred to Jack Graham, president, Southern Baptist Convention; and former President Saddam Hussein of Iraq.

Memorandum on Suspension of Limitations Under the Jerusalem Embassy Act

June 15, 2004

Presidential Determination No. 2004–36

Memorandum for the Secretary of State

Subject: Suspension of Limitations Under the Jerusalem Embassy Act

Pursuant to the authority vested in me as President by the Constitution and the laws of the United States, including section 7(a) of the Jerusalem Embassy Act of 1995 (Public Law 104–45) (the "Act"), I hereby determine that it is necessary to protect the national security interests of the United States to suspend for a period of 6 months the limitations set forth in sections 3(b) and 7(b) of the Act. My Administration remains committed to beginning the process of moving our embassy to Jerusalem.

You are hereby authorized and directed to transmit this determination to the Congress, accompanied by a report in accordance with section 7(a) of the Act, and to publish the determination in the *Federal Register*.

This suspension shall take effect after transmission of this determination and report to the Congress.

George W. Bush

Notice—Notice of Intention To Enter Into a Free Trade Agreement With Bahrain

June 15, 2004

Consistent with section 2105(a)(1)(A) of the Trade Act of 2002, I have notified the Congress of my intention to enter into a free trade agreement with the Kingdom of Bahrain.

Consistent with section 2105(a)(1)(A) of that Act, this notice shall be published in the *Federal Register*.

George W. Bush

The White House,
June 15, 2004.

[Filed with the Office of the Federal Register, 8:45 a.m., June 17, 2004]

NOTE: This notice was published in the *Federal Register* on June 18.

Message to the Congress Transmitting a Notice of Intention To Enter Into a Free Trade Agreement With Bahrain

June 15, 2004

To the Congress of the United States:

Consistent with section 2105(a)(1)(A) of the Trade Act of 2002, (Public Law 107–210; the "Trade Act"), I am pleased to notify the Congress of my intent to enter into a Free Trade Agreement (FTA) with the Government of Bahrain.

This agreement will create new opportunities for America's workers, farmers, businesses, and consumers by eliminating barriers in trade with Bahrain. Entering into an FTA with Bahrain will not only strengthen our bilateral ties with this important ally, it will also advance my goal of a U.S.-Middle East Free Trade Area (MEFTA) by 2013.

Consistent with the Trade Act, I am sending this notification at least 90 days in advance of signing the United States-Bahrain FTA. My Administration looks forward to

working with the Congress in developing appropriate legislation to approve and implement this free trade agreement.

George W. Bush

The White House,
June 15, 2004.

Remarks at the Congressional Barbecue

June 15, 2004

Thank you all for coming. So the Vice President and I were sitting around saying, "I wonder if we can get some people to come to a barbecue here on the South Lawn." We're glad you came. Laura and I and Lynne and Dick are really pleased to host you all for the annual Congressional Barbecue. We want to thank the Rich Davis family from Kansas City for providing the barbecue and the White House staff for providing the napkins. [*Laughter*]

I think the best thing I can tell you is how much I appreciate the families of the Members of Congress for supporting your husbands and wives and moms and dads as they serve our great country. It is a—the Members of Congress work really hard on behalf of the people of the country. And they're gone a lot from their homes, and I know it's hard. It's hard to wonder whether or not the service is worth it. I'm telling you, the service is worth it. We are a great nation because men and women from all walks of life are willing to serve our country. So we really appreciate you being here.

I also want to thank the Marine Band, the Army Band, the Navy Band, the Air Force Band, and the Old Guard Fife and Drum Corps for providing the entertainment tonight.

And our wish is that you enjoy yourself on the beautiful South Lawn of this majestic house that Laura and I are fortunate to live in. Every day we are reminded about the greatness of our country, and we are a great country. We're a great country because we believe in human dignity and the rights of every person. We're a great country because we believe that no matter who you are or where you're from, you can succeed in America. We're a great country because free men and women can self-govern in a peaceful way, and we're a great country because we are blessed by the Almighty God.

Thank you all for coming. May God bless. Enjoy yourself.

NOTE: The President spoke at 6:15 p.m. on the South Lawn at the White House. In his remarks, he referred to Rich Davis, founder, KC Masterpiece barbecue products.

Remarks at MacDill Air Force Base in Tampa, Florida

June 16, 2004

Thanks for coming. Thanks for the warm welcome. It is great to be back in Florida with the fine men and women of MacDill Air Force Base. You know, I told my dad I was coming here today, and he suggested I drop in by parachute. [*Laughter*] I told him I thought I'd wait for my 80th birthday. [*Laughter*]

With us today by satellite are American service men and women in Afghanistan and Iraq. You are stationed in faraway lands, but you're always in the thoughts of your fellow Americans. You face hard duty. You've endured the heat of the Persian Gulf and the harsh winters of Central Asia. You're serving with honor and pride. You're making our country safer, and your country is proud of you. Thank you for your service.

I also know that we're on Armed Forces radio and TV. We're carried to the bases and ships around the world. Wherever your duty has taken you, I want you to know that you are a part of a great force for good in this world. The defense of our country, the security of our friends, and the peace of the world depend on you. Thank you for working hard and for bringing credit and honor to the United States military.

I want to thank General Lance Smith and his wife, Linda. I want to thank General John Abizaid, who is not with us today, and his wife, Kathy. I want to thank General Doug Brown. I want to thank Colonel Brian Kelly and wife, Susan. I want to thank a member of my Cabinet who's traveled here, a veteran of the United States military, the Secretary for the Department of Veteran Affairs, Secretary Tony Principi.

Someday you'll be veterans. Our Government will honor our commitment to our veterans, past, present, and future.

I want to thank Mayor Pam Iorio for being here today, the mayor of Tampa, Florida, and Mayor Rick Baker, the mayor of St. Petersburg, Florida. Thank you all for coming today. I'm honored you're here, and thank you for providing such important support for the men and women who wear our Nation's uniform.

I want to thank my friends Darryl Worley and Mark Wills for being here today. These boys can sing.

I know we've got people from the Tampa Bay Lightning here. It seems like it would be hard to skate on ice in this kind of weather. [*Laughter*] But I know the general manager, Jay Feaster, is with us, and John Tortorella, the coach, is with us. Congratulations on being champs.

I just had the honor of meeting Master Sergeant Gina Carnesecchi on Air Force One. I'll tell you why I want to bring up Gina. She is a veteran of—she's been deployed, let me put it to you that way. She came back; she helped start Operation Lighthouse here at MacDill. It's a program to encourage troops and their families. She helps organize care packages and makes sure families are able to communicate with a loved one abroad. She's a volunteer. She serves our Nation as a master sergeant. In her spare time, she volunteers to help make somebody's life better.

You see, the strength of America is the hearts and souls of the American people. The strength of this country is because we've got thousands of people from all walks of life who have heard the universal call to love a neighbor just like they would like to be loved themselves. For those of you who are helping to make somebody's life better, I thank you on behalf of a grateful nation.

MacDill is the home of the U.S. Central Command. The Command was activated in the early 1980s. Back then, America needed CENTCOM to help protect our allies from aggression and to support the Afghan freedom fighters. Now, at the start of a new century, the men and women of CENTCOM have liberated two nations and have rescued more than 50 million people from tyranny. Today, your Nation is counting on you to ensure the defeat of terrorists, to secure America, and to advance freedom throughout the Middle East. That's our mission.

I'm grateful to the fine men and women of the 6th Air Mobility Wing, which established the air bridge that got troops and supplies into the theaters of operations. Some of you deployed to Iraq with the 447th Air Expeditionary Group. Your job was to move cargo and passengers in and out of the Baghdad International Airport every day. Last Thanksgiving, I was one of those passengers, and I appreciated the on-time arrival.

MacDill is also the headquarters for our quiet warriors, the United States Special Operations Command. It is the nature of Special Ops that many of your victories are unseen and must remain secret, but I know about them. [*Laughter*] Our Special Operations force are the worst nightmare of America's worst enemies, and you're making us proud.

All who wear the uniform can know that America appreciates your service and your sacrifice. Our Government owes you more than gratitude. I made a commitment to the men and women of our military, a commitment to their loved ones: You will have the resources you need to fight and win the war on terror.

Here at CENTCOM, the Coalition Village flies the flags of 65 nations that are doing their part in the war on terror. On behalf of our country, I thank all our friends and allies for serving with America in the cause of freedom.

I last came to MacDill during the first week of Operation Iraqi Freedom. In that battle, we and our allies acted with speed and precision to destroy a brutal regime, while sparing innocent Iraqis. Our coalition showed the world, when we see a threat to America and our friends, we will take decisive action, and when we promise to act, we mean exactly what we say.

Because America and our allies acted, one of the most brutal, evil regimes is gone forever. This was a regime that tortured children in front of their parents. This was a regime that used chemical weapons against whole villages. It gave cash rewards to families of suicide bombers. It sheltered terrorist groups. Iraq was a country in which millions

of people lived in fear and many thousands disappeared into mass graves. That was the life in Iraq for more than a generation, until the Americans arrived. Because America and our allies acted, an aggressive threat to the security of the Middle East and to the peace of the world is gone forever. America is safer because Saddam Hussein sits in a prison cell.

When our forces were bringing down the dictator and his regime, I said here at MacDill that our work would not end with the liberation of Iraq. I pledged that we would help the Iraqi people to find the benefits and assume the duties of self-government. We're keeping our commitment.

All of you understand that freedom in Iraq and freedom in Afghanistan have deadly and determined enemies. Our men and women in those countries are fighting freedom's enemies with skill and courage. You're showing great respect for the holy sites in those countries. You're helping to bring opportunity and security to nations that have known years of cruel oppression.

These are difficult tasks, but they are essential tasks. By fighting the terrorists in distant lands, you are making sure your fellow citizens do not face them here at home. By helping the rise of democracy in Iraq, in Afghanistan, and throughout the world, you are giving people an alternative to bitterness and hatred, and that is essential to the peace of the world.

Yesterday, President Karzai of Afghanistan came to the White House and to the U.S. Capitol and thanked the American people for helping to free his country and for being a friend to the Afghan people. The President of Iraq came to America last week and expressed his gratitude for the sacrifices of the American people and our troops. These two Presidents and the nations they serve know the character of the American Armed Forces. They're seeing the nature of your mission as well. We have come not to conquer but to liberate people, and we will stand with them until their freedom is secure.

We're moving forward with our five-point plan for Iraqi self-government. We're handing over authority to a sovereign Iraqi government. We're encouraging more international support for Iraq's political transition. We're helping Iraqis take responsibility for their own security. We're continuing to rebuild Iraq's infrastructure, and we're helping Iraq move to free elections. A turning point will come 2 weeks from today. On June the 30th, governing authority will be transferred to a fully sovereign interim government, the Coalition Provisional Authority will cease to exist, an American Embassy will open in Baghdad.

Iraq's new leaders are rising to their responsibilities. Together with our coalition and the United Nations, they are working to prepare the way for national elections by next January. In July, Iraqis from every part of the country will gather for a national conference that will choose an interim national council to advise and support Prime Minister Alawi and his cabinet. The U.N. Security Council has voted unanimously to endorse the Iraqi interim government and the plan for Iraq's political transition. The Iraqi people are making steady progress, and we will not let thugs and killers stand in the way of a free and democratic Iraq.

As Iraq gains self-government, it is essential that Iraq gain the means of self-defense. So we're now leading an international effort to help train Iraq's new security forces. There are now more than 200,000 Iraqis on duty and in training in various branches of the Iraqi security forces. We're working to build and strengthen Iraqi chains of command. We've learned from our experiences, Iraqi soldiers naturally want to take orders from Iraqi officers. So we're helping to prepare a new generation of Iraqi military commanders who will lead the security forces of a free and sovereign Iraq.

Those of you in Iraq are seeing results of your work. Iraqi police and Civil Defense Corps have recently captured several terrorists, including Umar Baziyani, a key lieutenant of the terrorist named Zarqawi. Recently, in Mosul, the Civil Defense Corps successfully repelled attacks on government buildings. The U.S. commander on the ground, Brigadier General Carter Ham, said the Iraqi forces stood strong. In Najaf, Iraqi police are now patrolling the streets. They're being greeted warmly by their fellow citizens.

You see, these brave Iraqis are stepping up. They're setting an example for their fellow citizens. They're staying in the fight, taking the battle to the terrorists and Saddam holdouts. They are securing a future of liberty and opportunity for their children and their grandchildren. And when the history of modern Iraq is written, the people of Iraq will know their freedom was finally secured by the courage and by the determination of Iraqi patriots.

There are many challenges yet to come. We can expect more violence in the weeks and months ahead, but the future of a free Iraq is now coming into view. As the interim government assumes authority and Iraqi security forces defend their country, our coalition will play a supporting role. And this is an essential part of our strategy for success. Terrorists who attack a self-governing Iraq are showing us and the Iraqis who they really are. They're not fighting foreign forces. They're fighting the Iraqi people. They're not just enemies of America. They're enemies of democracy and hope. They're enemies of a peaceful future in Iraq. As Prime Minister Alawi of Iraq said last week, "Anyone involved in these attacks is nothing more than a traitor to the cause of Iraq's freedom and the freedom of its people." He went on to say, "These are not freedom fighters. These are terrorists and foreign fighters opposed to our very survival as a free state."

The Prime Minister and I share the same resolve: The traitors will be defeated. Their greatest fear is an Iraqi government of, by, and for the Iraqi people. And no matter what the terrorists plan, no matter what they attempt, a democratic, free Iraq is on the way.

At the same time, our coalition is helping the Iraqi people to rebuild the basic infrastructure of their country. This is work that America has done before. I want you to remember this. In 1947, 2 years after the Nazi surrender, there was still starvation in Germany. Reconstruction seemed to be faltering. The Marshall plan had not yet begun. Soon Berlin would be blockaded on the orders of Joseph Stalin. Some questioned whether a free and stable Germany could emerge from the rubble.

Fortunately, America and our allies were optimistic. They stood firm. We helped the German people overcome these challenges and resist the designs of the Soviet Union. We overcame many obstacles because we knew that the only hope for a secure America was a peaceful and democratic Europe. And because we persevered, because we had faith in our values, because we were strong in the face of adversity, Germany became the stable, successful, great nation that it is today.

Fourteen months have passed since the fall of Baghdad, and today, in spite of terrorist insurgency, Iraq's economy is moving forward. Markets are beginning to thrive. New businesses have opened. A stable new currency is in place. Dozens of political parties are organizing. Hundreds of courts of law are opening across the country. Today in Iraq, more than 170 newspapers are being published, and I saw the other day that they've even got talk radio. I don't know if they've contacted Rush yet. [*Laughter*]

Life is better in other ways for the people of Iraq. Electric power is being restored and is no longer being distributed based on loyalty to Saddam Hussein's regime. Our coalition has rehabilitated nearly 2,500 schools, and over 1,200 more should be completed by the end of the year. All of Iraq's hospitals and most medical clinics are open and are serving the people. Since the liberation, the vast majority of Iraqi children under 5 years old have been vaccinated for polio, measles, tuberculosis, and other diseases. In the south of Iraq, our coalition is reflooding the wetlands that Saddam Hussein systematically drained to decimate the Marsh Arabs. We're bringing back a 5,000-year civilization to life.

This summer will bring another milestone for our friends the Iraqis. Under the dictatorship of Saddam Hussein, members of the Iraqi national soccer team were imprisoned and tortured when they failed to perform. Last month, inspired by love of country rather than the fear of a dictator, the Iraqi team won an upset victory over Saudi Arabia and earned its first trip ever to compete in the Olympic Games. All countries gathered in Greece will be able to cheer for the athletes from a free Iraq.

With each step forward on the path to self-government and self-reliance, the terrorists will grow more desperate and more violent. They see Iraqis taking their country back.

They see freedom taking root. The killers know they have no future in a free Iraq. They want America to abandon the mission and to break our word. So they're attacking our soldiers and free Iraqis. They're doing everything in their power to prevent the full transition to democracy. And we can expect more attacks in the coming few weeks, more car bombs, more suiciders, more attempts on the lives of Iraqi officials.

But our coalition is standing firm. New Iraq's leaders are not intimidated. I will not yield, and neither will the leaders of Iraq. As the Iraqi President al-Yawr said last week, "They will try to increase the incidents and the violence for a while, but we're committed; we're consistent; we are focused."

The terrorists will fail. They will fail because the Iraqi people will not accept a return to tyranny. The terrorists will fail because the resolve of America and our allies will not be shaken. And the terrorists will fail because courageous men and women like you are standing in their way.

All who serve in the United States military—in Iraq, in Afghanistan, and at points across America and around the world—can take pride in the great work you have accepted. Your fellow citizens know that your work is not easy. The days are hot. Your mission is hard. Many of you have faced long deployments, sometimes longer than you expected. You've missed your families; your families miss you. Some of you have lost comrades, good men and women you will never forget, and America will never forget them either.

You're sacrificing greatly for our country, and our country has needed that sacrifice. By standing for the cause of freedom, you're making the world more peaceful. By fighting terrorists abroad, you're making the American people more secure here at home. And by acting in the best traditions of duty and honor, you're making our country and your Commander in Chief incredibly proud.

May God bless you. And may God continue to bless the United States.

NOTE: The President spoke at 10:38 a.m. In his remarks, he referred to Gen. John P. Abizaid, USA, combatant commander, and Lt. Gen. Lance L. Smith, USAF, deputy commander, U.S. Central Command; Gen. Bryan D. "Doug" Brown, USA, commander, U.S. Special Operations Command; Col. Brian T. Kelly, USAF, commander, 6th Operations Group, MacDill Air Force Base; country music entertainers Darryl Worley and Mark Wills; President Hamid Karzai of Afghanistan; President Ghazi al-Ujayl al-Yawr and Prime Minister Ayad al-Alawi of the Iraqi interim government; senior Al Qaida associate Abu Musab Al Zarqawi and his lieutenant Umar Baziyani, who was captured in Baghdad, Iraq, on May 30; Brig. Gen. Carter F. Ham, USA, commander, Task Force Olympia; and talk radio show host Rush Limbaugh.

Statement on the Report of the Commission on Implementation of United States Space Exploration Policy

June 16, 2004

I am pleased that Chairman Pete Aldridge and the members of the Commission on Implementation of United States Space Exploration Policy have developed recommendations supporting the vision for America's space program. I appreciate their hard work and service.

The Commission's report makes clear that this vision, which I announced in January, is a sustainable and affordable long-term human and robotic program to explore space. We will explore space to improve our lives and lift our national spirit. Space exploration is also likely to produce scientific discoveries in fields from biology to physics and to advance aerospace and a host of other industries. This will help create more highly skilled jobs, inspire students and teachers in math and science, and ensure that we continue to benefit from space technology, which has already brought us important improvements in areas as diverse as hurricane forecasting, satellite communications, and medical devices.

The Commission worked diligently to collect ideas from a variety of voices from across the country and to develop innovative recommendations. The Commission's recommendations will be reviewed and considered, and NASA will accelerate the transformation it has begun. I am confident that the Commission's report will help Congress, NASA, other Government agencies, the private sector, the international community, and

the American public to work together to undertake the next steps in our journey into space for the benefit of generations to come.

Memorandum on Designation of the Islamic Republic of Pakistan as a Major Non-NATO Ally

June 16, 2004

Presidential Determination No. 2004–37

Memorandum for the Secretary of State

Subject: Designation of the Islamic Republic of Pakistan as a Major Non-NATO Ally

Consistent with the authority vested in me by section 517 of the Foreign Assistance Act of 1961, as amended (the "Act"), I hereby designate the Islamic Republic of Pakistan as a Major Non-NATO Ally of the United States for the purposes of the Act and the Arms Export Control Act.

You are authorized and directed to publish this determination in the *Federal Register*.

George W. Bush

Notice—Continuation of the National Emergency With Respect to the Risk of Nuclear Proliferation Created by the Accumulation of Weapons-Usable Fissile Material in the Territory of the Russian Federation

June 16, 2004

On June 21, 2000, the President issued Executive Order 13159 (the "Order") blocking property and interests in property of the Government of the Russian Federation that are in the United States, that hereafter come within the United States, or that are or hereinafter come within the possession or control of United States persons that are directly related to the implementation of the Agreement Between the Government of the United States of America and the Government of the Russian Federation Concerning the Disposition of Highly Enriched Uranium Extracted from Nuclear Weapons, dated February 18, 1993, and related contracts and agreements (collectively, the "HEU Agreements"). The HEU Agreements allow for the downblending of highly enriched uranium derived from nuclear weapons to low enriched uranium for peaceful commercial purposes. The Order invoked the authority, *inter alia*, of the International Emergency Economic Powers Act, 50 U.S.C. 1701 *et seq.*, and declared a national emergency to deal with the unusual and extraordinary threat to the national security and foreign policy of the United States posed by the risk of nuclear proliferation created by the accumulation of a large volume of weapons-usable fissile material in the territory of the Russian Federation.

A major national security goal of the United States is to ensure that fissile material removed from Russian nuclear weapons pursuant to various arms control and disarmament agreements is dedicated to peaceful uses (such as downblending to low enriched uranium for peaceful commercial uses), subject to transparency measures, and protected from diversion to activities of proliferation concern. Pursuant to the HEU Agreements, weapons-grade uranium extracted from Russian nuclear weapons is converted to low enriched uranium for use as fuel in commercial nuclear reactors. The Order blocks and protects from attachment, judgment, decree, lien, execution, garnishment, or other judicial process the property and interests in property of the Government of the Russian Federation that are directly related to the implementation of the HEU Agreements and that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of United States persons.

The national emergency declared on June 21, 2000, must continue beyond June 21, 2004, to provide continued protection from attachment, judgment, decree, lien, execution, garnishment, or other judicial process for the property and interests in property of the Government of the Russian Federation that are directly related to the implementation of the HEU Agreements and subject to U.S. jurisdiction. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing for 1 year the national emergency

with respect to weapons-usable fissile material in the territory of the Russian Federation. This notice shall be published in the *Federal Register* and transmitted to the Congress.

George W. Bush

The White House,
June 16, 2004.

[Filed with the Office of the Federal Register, 8:45 a.m., June 17, 2004]

NOTE: This notice was published in the *Federal Register* on June 18.

Message to the Congress on Continuation of the National Emergency With Respect to the Risk of Nuclear Proliferation Created by the Accumulation of Weapons-Usable Fissile Material in the Territory of the Russian Federation

June 16, 2004

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice to the *Federal Register* for publication, stating that the emergency declared with respect to the accumulation of a large volume of weapons-usable fissile material in the territory of the Russian Federation is to continue beyond June 21, 2004. The most recent notice continuing this emergency was published in the *Federal Register* on June 12, 2003 (68 *Fed. Reg.* 35149).

It remains a major national security goal of the United States to ensure that fissile material removed from Russian nuclear weapons pursuant to various arms control and disarmament agreements is dedicated to peaceful uses, subject to transparency measures, and protected from diversion to activities of proliferation concern. The accumulation of a large volume of weapons-usable fissile material in the territory of the Russian Federation continues to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. For this reason, I have determined that it is necessary to continue the national emergency declared with respect to the accumulation of a large volume of weapons-usable fissile material in the territory of the Russian Federation and maintain in force these emergency authorities to respond to this threat.

George W. Bush

The White House,
June 16, 2004.

Message to the Senate Transmitting the Canada-United States Agreement on Pacific Hake/Whiting

June 16, 2004

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Agreement between the Government of the United States of America and the Government of Canada on Pacific Hake/Whiting (the "Agreement"), done at Seattle, November 21, 2003. I am also enclosing, for the information of the Senate, the report of the Secretary of State on the Agreement.

The Agreement establishes, for the first time, agreed percentage shares of the transboundary stock of Pacific hake, also known as Pacific whiting. It also creates a process through which U.S. and Canadian scientists and fisheries managers will recommend the total catch of Pacific hake each year, to be divided by a set percentage formula. Stakeholders from both countries will have significant input into this process.

The Agreement not only allows the Parties to redress the overfishing that had led to a recent decline in stock levels, but also provides long-term stability for U.S. fishers and processors and a structure for future scientific collaboration.

The recommended legislation necessary to implement the Agreement will be submitted separately to the Congress.

I recommend that the Senate give favorable consideration to this Agreement and

give its advice and consent to ratification at an early date.

George W. Bush

The White House,
June 16, 2004.

Remarks Following a Cabinet Meeting and an Exchange With Reporters

June 17, 2004

The President. I've just met with my Cabinet. We discussed primarily the economy, and I was pleased with the report I got. The U.S. economy is strong, and it's getting stronger. People are going back to work. There's a sense of optimism around this table, because these people have been out in the field and talking to people, talking to small-business owners and entrepreneurs. I'm pleased with the progress we're making.

There's more to do to make sure this growth is sustained throughout the decade. Primarily it requires a proper understanding of the role of Government to the economy. The role of Government is not to try to manage the economy; the role of Government is to create an environment in which the capital flows and entrepreneurs feel emboldened to take risk and to make sure workers are trained for the jobs of the 21st century. I will continue to talk to the American people about our progrowth strategy that I'm confident will work.

The other thing we talked about was our firm resolve to spread freedom and, therefore, peace around the world. We fully understand terrorists will try to shake our will, to try to shake our confidence, to try to get us to withdraw from commitments we have made in places like Afghanistan and Iraq, and they won't succeed. Iraq will be free, and a free Iraq is in our Nation's interest. A free Iraq will make the world more peaceful. A free Iraq will be an ally of those nations who honor human rights and human dignity and the aspirations of men and women everywhere. A free Iraq will make America more secure.

And we're making progress toward that goal. We've been there—it's been 14 months since the fall of Baghdad, and the work has been hard and difficult. Yet our military on the ground has done an excellent job of making sure the conditions are such that an Iraqi government can emerge and lead their nation to the better days.

I'll be glad to answer a couple of questions. Deb [Deb Riechmann, Associated Press], why don't you lead it off?

Al Qaida-Saddam Hussein Relationship

Q. Mr. President, why does the administration continue to insist that Saddam had a relationship with Al Qaida, when even you have denied any connection between Saddam and September 11th? And now the September 11th Commission says that there was no collaborative relationship at all.

The President. The reason I keep insisting that there was a relationship between Iraq and Saddam and Al Qaida, because there was a relationship between Iraq and Al Qaida. This administration never said that the 9/11 attacks were orchestrated between Saddam and Al Qaida. We did say there were numerous contacts between Saddam Hussein and Al Qaida. For example, Iraqi intelligence officers met with bin Laden, the head of Al Qaida, in the Sudan. There's numerous contacts between the two.

I always said that Saddam Hussein was a threat. He was a threat because he had used weapons of mass destruction against his own people. He was a threat because he was a sworn enemy to the United States of America, just like Al Qaida. He was a threat because he had terrorist connections, not only Al Qaida connections but other connections to terrorist organizations. Abu Nidal was one. He was a threat because he provided safe haven for a terrorist like Zarqawi, who is still killing innocent inside of Iraq.

No, he was a threat, and the world is better off, and America is more secure without Saddam Hussein in power.

Let's see—Morgan [David Morgan, Reuters].

Defense Secretary Rumsfeld

Q. Mr. President, given your administration's assertions that it works closely with the

International Red Cross, are you disappointed that Secretary Rumsfeld instructed military officials in Iraq to hold a member of Ansar Al Islam without telling Red Cross officials?

The President. The Secretary and I discussed that for the first time this morning, and he's going to hold a press conference today to discuss that with you. I'm never disappointed in my Secretary of Defense. He's doing a fabulous job, and America is lucky to have him in the position he's in. But the Secretary will hold a press conference today, and you might want to ask him that question at his press conference.

Thank you.

NOTE: The President spoke at 10:57 a.m. in the Cabinet Room at the White House. In his remarks, he referred to former President Saddam Hussein of Iraq; Palestinian terrorist Abu Nidal, who was found dead in Baghdad, Iraq, on August 19, 2002; and senior Al Qaida associate Abu Musab Al Zarqawi. The Office of the Press Secretary also released a Spanish language transcript of these remarks.

Remarks to the National Federation of Independent Businesses

June 17, 2004

The President. Thank you all. Go ahead and be seated. Thanks for coming. Please be seated. I'm honored you're here. Thanks for coming. Welcome to the Nation's Capital. I'm honored to follow Denny Hastert. He is a fabulous Speaker of the House of Representatives. I enjoy—he is a good friend and a really good leader, and I've enjoyed working with him.

And I've enjoyed working with the members of the NFIB as well. I love to be in the presence of entrepreneurs. Wait, who's minding the store? [*Laughter*] I think if you look back on your record, you'll find I was an NFIB member in Midland, Texas, way back when. You're 600,000 strong. You have a good voice here in Washington. I want you to know that, and you need to make sure you continue to speak it clearly, because the policymakers need to hear from you about the need for less regulation, good taxation, and less litigation in order for you to be able to do your job.

I know you know this: You've got friends on Capitol Hill. You have a friend in the White House too. There is a practical reason why I'm your friend. One of the practical reasons is, most new jobs—by far, the vast majority of new jobs are started by small businesses in America. See, I'm interested in our people working. I want the American people to be at work so they can fulfill their responsibilities as mothers and dads. And during a time of slowdowns, which we have been through, it's really important to make sure the small-business sector of the American economy is strong.

And so I'm about to talk about some policies we put in place to help you do your job better. The way I look at it is: What is good for small business is good for America. We're here at a time of great promise and great opportunity.

The economy is shifted into high gear, and that's good news. It's good news if you're trying to make a living. It's good news if you're trying to make a living, and it's good news if you're trying to meet a payroll. [*Laughter*] Factories are busier. Families are earning more. Homeownership rates—the homeownership rate is the highest ever in America. See, that is good news if you're interested in promoting an ownership society in our country. We want people owning their own business. We want people owning their own homes. You and I know this, that if you own something, you have a vital stake in the future of our country. The more ownership there is in America, the more vitality there is in America, and the more people have a vital stake in the future of this country.

We've got economic challenges. We've got economic momentum, and that's good. Because of the good policies, but more importantly, because of your hard work, because of working to realize your dreams, because of the spirit of the small-business owner in the country, the economy is strong, and it is getting stronger.

I want to thank Jack Faris for inviting me here. I'm honored to come right around the corner. I appreciate Tom Musser, the chairman of the board. I want to thank Dan Danner. He does all the work. [*Laughter*] But

most of all, I thank you all. I've seen many of you as I've traveled the country. Part of my job has been to sell a pro-growth, pro-entrepreneur economic stimulus plan. And I was able to do so in your presence in different parts of America. And I want to thank you for showing up then and for showing up now. It's good to see you again.

I think every one of you knows full well what this economy has been through, and it's important for our country to remember what we have been through, because we have been through a lot. That's why I'm so optimistic about the future, because I've seen where we have come from.

Audience member. Four more years!

The President. I might as well quit on that note. [*Laughter*] Let me just remind you where we have been through—what we have been through. When I was the President-elect, sitting in Austin, Texas, I had a group of business leaders come down and see me, including Jack Faris. The universal message from those leaders was this: The economy was in trouble. In early January, when we showed up here to go to work, the economy was heading into a recession. The stock market had been declining. Factories were laying off workers, and these were tough times. And you know it as well as I. It's hard to be a small-business owner during a recession. It's hard to make your payroll. It's hard to fulfill your obligations to your workers when the economy is not growing. I understand that.

We began to recover somewhat, and then the enemy hit us on September the 11th. The attack not only affected our psychology; the attack affected the economy, and the two go hand in hand, as you know. Parts of our economy came to a standstill right after September the 11th, 2001. Remember, airports were shut down. The stock market closed. We lost nearly a million jobs in 3 months.

And then we began to recover, because of policy and the spirit of America, and then we discovered some of our corporate citizens forgot what it meant to be a responsible American. They didn't tell the truth to their shareholders and their employees. We came together here in Washington, passed tough laws, and made it clear we're not going to tolerate dishonesty in the boardrooms of America. We will hold people to account.

There is no question that we—the economy was affected by recession and attacks and emergencies, the "March to War," corporate scandal, but we acted. We acted. I want to thank you for your help. We acted together. We went to Congress and said, "Let's lower the taxes on the American people. In order to get this economy moving, let's make sure people have got more of their own money in their pocket."

See, I believe—I think you may agree with me—that the people can use their money far better than the Federal Government can. And so we cut rates across the board. We said to Congress, "If we're going to have tax relief, let's make sure it's fair. If you're going to have tax relief, let's make sure everybody who pays taxes gets relief." And they listened, fortunately. The good news about reducing the individual tax rates across the board was that it helped small businesses.

You know what I know: Most small businesses pay tax at the individual income tax rate. Because either being a Subchapter S corporation or other types of structures that, on the one hand, limit your liability and, on the other hand, cause you to pay tax at the individual rate level, about 90 percent of the small businesses across America pay tax at the individual income tax rate level. And that's important. In other words, if you're interested in trying to get out of recession and recover from an attack, it's important to stimulate the small-business sector. And the definition of "stimulate"—for people out there who are trying to understand—when I say "stimulate," the definition of stimulate means more money in your pocket. That's how you stimulate growth. That's how you encourage confidence.

We also helped families by doubling the child credit. We reduced the marriage penalty. I've never understood a society which penalizes marriage. It seems like you want to encourage marriage. [*Laughter*] But we reduced the marriage penalty.

And very important for the small-business owner in America, we put the death tax on the road to extinction. We had an interesting debate here in Washington about whether we needed a death tax or not. My position is, you shouldn't tax a person's assets twice, once while they're living, once when they

move on. [*Laughter*] I mean, it's your property. You built your business, and you ought to be able to leave your business to whomever you choose.

And secondly, the people here in Washington must understand that many times, when a small-business owner passes on, the estate must be liquidated, the company must be liquidated in order to pay the burden of the taxes. Many times the asset base is illiquid. There's good capital worth, but they're illiquid. And the taxes are such that people have to sell their business, sell something they've loved, sell something they've tried to build up for the future.

Many moms and dads have got dreams about a—of leaving their businesses to generation after generation after generation. It's become one of the great parts of the American heritage—isn't it—whether it be a small-business or a farm. People like that asset base in their own family. And yet the death tax makes it, in some cases, virtually impossible to do so. And getting rid of the death tax is a very important part of making sure the entrepreneurial spirit is strong in America.

We also created new incentives for the small businesses by quadrupling the annual expense deduction for equipment, up to $100,000, and that's important. See, that's important. It's an important part of stimulating the economy. We say, "Look, we're going to encourage you to invest." And our fellow citizens must understand that when small businesses invest, it means really what you're doing is you're purchasing something that somebody has to manufacture for you. And when they manufacture it for you, somebody is more likely to find work. It has a ripple effect throughout our economy.

The tax plan, that stimulation—the economic stimulation plan we passed was based upon a certain principle. It was based upon my optimism about people making the right decisions throughout our economy. See, I'm optimistic about our future because I've got great faith in the small-business entrepreneurs of America and the workers of America. And the economic plan we put forth to Congress, which they passed, is based upon that great trust and optimism and knowledge about how the small-business sector works and affects the future of the country.

Some looked at the problems—we had a debate here in Washington, of course, and that's good, and that's healthy for democracy. You like debates. You also like to win the debates. [*Laughter*] Some looked at the problems and offered familiar solutions. They said, "Look, what we really shouldn't have done is we shouldn't have cut the taxes on the American people. We shouldn't let people have more of their own money." It's kind of the old age—it's the age old argument, "Do you want more Government or more money in people's pockets?" I came down on the side of more money in the people's pockets. Others would have had it that they want to increase the size of the Federal Government. I just don't think that increasing the size of the Federal Government will help you recover from a recession or emergency or corporate scandals.

They said they would—probably best to isolate America from the world. It was kind of a knee-jerk reaction to tough economic times to say, "Why don't we become isolationists, economic isolationists." I've rejected that point of view because that's too pessimistic, as far as I'm concerned, and I'll discuss that in a minute.

In other words, they were quick about pointing out the problems, but frankly, they didn't come up with many good solutions. And in my judgment, there wasn't a better solution than letting people have their money, stimulating the small-business sector, and it's paying off. The policies we have put in place have made sense.

Of course, recoveries don't happen overnight. Tax relief takes a while to have an impact, and people got impatient. The critics got impatient. You know, there was a lot of gloomy predictions around our country. Let me take a look at a few of them with you and see what's actually happened, thanks to tax relief.

We used to hear it said that America was in a jobless recovery. That term seems to have fallen out of use lately. [*Laughter*] Since August our policies have helped American businesses create 1.4 million new jobs. We've seen 4 straight months of manufacturing job gains. It's a clear sign of a broad and strong

recovery. Even after the recovery began, some doubted whether it would really take hold. They predicted what they called a "double-dip" recession. There would be a recession, recovery, and then another recession. Yet in the past year, the economy has grown at the fastest pace in almost two decades. Since last summer, we now have the fastest growing major industrialized economy in the world. And the recession was one of the shallowest in modern American history, thanks to you, thanks to your hard work, thanks to the entrepreneurial spirit being revived.

The critics made a few other predictions. They said businesses and households would not spend their tax savings. Turns out business investment is up more than 9 percent in the last year. Businesses are investing. They're spending capital. An NFIB survey shows nearly two-thirds of all small firms had capital spending projects in the last 6 months. Households have used their tax relief to help drive our economy forward as well. Consumption remained strong through the rough times and has accelerated since the tax relief was passed.

Some of the pessimists looked at this economic progress and claimed that the American families are still falling behind. Well, they didn't offer much evidence, because, in fact, as our economy has come back, American families are doing a lot better. Higher growth and higher productivity are leading to better paying jobs across America. Families are keeping more of their own money.

Since the beginning of 2001, real after-tax incomes, which are what people earn after inflation and taxes, have increased by 11 percent. That figure matters a lot. Let me see if I can put it in west Texas terms. That means you've got more money in your pocket. [*Laughter*] And it's your money to spend. You get to decide what to do with it, not the Federal Government.

Turns out when people have more money in their pocket, they make decisions that suit their own needs and at the same time has the cumulative effect of stimulating our economy. It's the millions of decisions by consumers and small-business owners and investors which drives our economy forward. It's not the decisions by bureaucrats in Washington, DC, that creates economic growth.

At every stage of our recovery, people were always looking for a cloud to stand under, or some were looking for a cloud to stand under here. One of my—I read something interesting that I'd like to share with you about an attitude that sometimes can take hold. On the morning after D-day in 1944, The Wall Street Journal ran a headline that read: "Invasion's Impact: Marks Beginning of End of War Economy; New Problems for Industry." [*Laughter*] That's kind of an interesting way to look at the liberation of Europe. [*Laughter*]

The economic—there are modern-day economic pessimists around who are quick to offer dire predictions and complaints. But you know what? They do not offer pro-growth economic policies. They can find the dark cloud, but they can't see the sunshine because they don't know where to take the country, and they don't know where to lead.

You can't lead unless you understand the strengths of America, and one of the great strengths of our economy is the small-business sector of our economy, and I intend to keep it strong and vibrant and alive.

According to the NFIB, the small-business optimism has reached a 20-year high at the end of 2003, and that's good. Things are working. In your jobs survey, the last one you had, about half your members were looking to hire. Half your members are saying, "I see a better future, and I need somebody to help me make my business grow." And that's positive news for American workers. It's positive news when the small-business sector feels a wind at its back, where the owners are saying, "I see a better day. Therefore, I'm going to take a little more risk," or "I see a better day. I'm going to help—find somebody to help me make my business work better."

A guy named Mike Baldino from Fremont, Nebraska—he's a NFIB member—he owns Kelly Closure Systems. They make steel buildings and enclosures. He's a Subchapter S—his company is a Subchapter S. He's a Subchapter S CEO. You know what that means. It means when you lower income taxes at the individual level, it affects his cashflow. He saved $30,000 last year. He's

a small-business guy, has 30,000 more dollars in his pocket. He says he's going to invest. He's going to buy a conveyor system, a new conveyor system. Our citizens must understand that when Mike makes a decision like that and says, "I want to buy a new conveyor system" because of the tax relief Congress passed, somebody's got to make the conveyor system. And somebody's got to provide the parts for the person who makes the conveyor system. In other words, has a ripple—Mike's decision has a ripple effect throughout our economy. He said this—he said, "I've been dragging my feet. The tax bill gave me the incentive."

See, the tax bill—and it's essential for our citizens to understand—when we passed the tax bill, it changed the decisionmaking process of millions of small-business owners. It changed the attitude of the decisionmakers in the small businesses of America. Not only are you more optimistic than you had been in the past, you've got a little more money to spend too, which makes you optimistic. And it's your decisions—it's the millions of decisions in the marketplace that have helped define the economic recovery we're going through, and Congress must understand that.

Mike added four new jobs. Now, that doesn't sound a lot to people who think in terms of a lot of zeros. But it meant a lot to the four people he hired. It meant a lot to Mike.

And when you think about it, there are a lot of Mikes out there who own their own small business. It's the cumulative effect of small-business hiring practices that have helped create this momentum in job hiring across the country. You know what I'm talking about. You've hired 1 or 2 or 3, 10, 20 people. And it's had an enormous effect. It's changing the dynamic of our economy. People are getting back to work. Small businesses are hiring. The future looks bright, and the fundamental question facing the country is, how do we make sure we continue to grow?

See, we've still got some problems. I want to discuss a few of them with you. I'm going to ask for your help in convincing your elected representatives to perhaps listen to our point of view about how to make sure this growth that we have going today not only lasts throughout the political cycle, more importantly, lasts throughout the decade. That's what we want, and the way I like to put it is, one way to do so is to make sure America is the best place in the world to do business. The best place for people to risk capital, the best place for people to try to realize their dreams must be America if we want our people working throughout the next decade.

And there are some things we must do. First, there must be certainty in the Tax Code. If you're a decisionmaker at a small business, you want to know what the future tax—your future taxes are going to look like. That's what you want to know. It's hard to make a decision if you're uncertain about what next year's taxes will look like, what the rates will look like, and so therefore, it's very important for Congress to understand and listen to the decisionmakers. As you know, some of tax relief is set to expire this year, and Congress must hear from you. They're going to continue to hear from me. Instead of raising taxes on the American people at this point, we ought to make sure the taxes stay where they are and stay low.

We need to make sure the child credit stays where it is, the marriage penalty stays down, the 10-percent rate stays in place. That's what we need to make sure. It will send a signal. It will send a signal that we intend to make the tax relief we put in place a permanent part of the Tax Code so our small-business owners can plan for the future.

And by the way, the death tax could conceivably come back to life. It's being phased out. It's going to be an unusual year—I think it's 2011 that it—see, it fades out to 2010. Then all of a sudden, it shoots back up in 2011. I guess a lot of people are going to have to be making some decisions in 2010. [*Laughter*] Congress needs to hear from you on this issue, I'm telling you. It's important to make sure that the death tax goes away forever—forever—that there's permanency.

One of the challenges that we have as our economy shifts is to make sure that we have a skilled workforce to fill the jobs of the 21st century. We're not going to be able to grow throughout the decades unless we make sure our workforce can do the jobs that are being

created. In other words, if you can't find workers to be able to do the jobs that are necessary to compete in the 21st century, you'll look elsewhere. And so one of the economic realities is to make sure the education system works well. And I've worked with Congress to pass the No Child Left Behind Act. It is a strong piece of legislation. I'll tell you why. It sets high standards. And for the first time, it says, "In return for Federal money, show us whether or not a child can learn to read and write and add and subtract."

See, you live with accountability all your life, don't you? It's called the balance sheet and the income statement. A small-business person is held accountable every day. If you're in retail sales, you're held accountable when you close the register that evening. If you're in construction sales or building homes, you're held accountable every day, based upon progress you've made on a project that you've got.

The school systems need to be held accountable as well. And in return for money, we've said all we expect is for a child to read at grade level, starting at the third grade. That's not too much to expect. As a matter of fact, it's necessary to make sure the workforce works.

But we've got other programs to make sure our kids are ready. We've had a system, as you know, that has just simply shuffled some through the system without asking the hard question about education achievement, and they need help now. And so we've got programs for middle school kids and high school kids and intervention programs in English and math. We're working hard to promote science and engineering programs, both in high school and college.

But one of the most important initiatives that we have put forth here in Washington is to match up our community colleges with employers looking for workers, is to say to the workforce, "You can go back to school for a period of time—we'll help you in most cases—and train for jobs which actually exist." I don't know if you're having problems finding workers in your respective industries, but I can tell you, the health care industry's looking for nurses. I mean, there are a lot of jobs where people are looking to fill jobs, and one reason why they can't fill those jobs is because the education system hasn't responded. The education system must be flexible, available, and affordable. And the best place to do that is in the community college campuses all across America.

We're not going to be able to compete in the world and create the jobs we want to create over the next decades if we strangle our small-business owners and large-business owners with needless paperwork and regulation.

The governments—and I say "governments" because I know the Federal Government has got a lot of paperwork you need to fill out, but so does the State Government and local government. I can't guarantee you that we read all the forms we ask you to fill out. [*Laughter*] I would bet they don't read all the forms. [*Laughter*] And we've got to be mindful about what paperwork does to the job creators. We want you hiring people, not hiring—not filling out paperwork. That's what we want. The Treasury Department has simplified some tax forms, for example.

There's some practical things we must continue to do at the Federal level to make sure that we can compete and make sure people can find work. Our workers must understand that if we overburden our people, our entrepreneurs with paperwork, they're less likely to find a job. The Government has the responsibility to have oversight but not oppressive oversight.

In order for America to be a competitive place, the best place to do business, in order for people to be able to find work over the next years, we must have a legal system that is fair and balanced. Today's legal system is not fair, and it's not balanced.

I want you to remind the people on Capitol Hill, you cannot be pro-small-business and pro-trial-lawyer at the same time.

And the Federal Government can set an example of good tort reform by passing a class-action reform, a reform where trial lawyers can't shop for courts all around the country and a reform that, if there ever is a verdict, the people who benefit are those who got injured, not the lawyers. That bill is stuck. We need to help get it unstuck, and you can help. You can help by contacting your United States Senators.

And we also need to reform our medical liability system. Now, when I came to Washington—when I came up here, I said, "Well, gosh, I think the best place to have reform on medical liability reform is at the State level." And then I looked at the impact of what the frivolous lawsuits were doing to Federal budgets. You see, if you're a doc and you're getting sued all the time, then you're going to practice defensive medicine. It means you practice more medicine than you need so if you ever get into a court of law, you can say, "I've done everything I could possibly do, some of which was not necessary except for legal defense." And as a result of the lawsuits or the threat of being sued or the settlements that happen as a result of filing lawsuits, docs' premiums go up too. And therefore, so does your cost and so does the cost to the Federal Government.

So I decided medical liability reform was a Federal issue that required a Federal solution and worked with the United States House of Representatives to get a good bill out, which says if you're truly harmed by a doctor, you're going to be compensated. But these outrageous settlements and these egregious awards must cease for the sake of our small-business owners.

I fully understand the pressure you're under when it comes to the cost of health care. You've got employees that you want to take care of. You have an obligation as an employer to make sure that somebody working with you has got good health care. That's what you want more than anything. And yet you know like I know the cost is going up. And one way, a part of controlling the cost of health care, is for the United States Congress to get rid of those frivolous and junk lawsuits that's running up the cost of health care and pass Federal medical liability reform.

Another way to help small businesses is to pass association health plans. Association health plans, see, they're necessary. If you're a small-business owner, a restaurant owner, say, and lucky enough to be in the great State of Texas—[*applause*]—there you go—it seems like you should be able to pool risk with a restaurant owner in the State of Florida. Except in many States, you can't do so. You know what I'm talking about. Big businesses are able to spread risk, because they've got a lot of employees over which to spread risk. Small businesses don't have that same purchasing power in the marketplace. It makes sense to me to allow small businesses to bind together in order to be able to better afford insurance for their company.

As well I want you to look into health savings accounts. This is an innovative new product that has emerged as a result of me signing the Medicare reform law. It's an interesting way for small businesses to take care of their employees. Employees basically are able to contribute tax-free into an account to help with routine medical expenses, and you pay for catastrophic care. The combination of the two will save money. It also makes sure that the decisionmaking process in medicine is between the doctor and the patient, not between Federal bureaucrats and the rest of the population. See, we must not allow the Federal Government to run the health care system of America.

In order for us to be competitive, in order for America to be a great place to do business, we need an energy policy. We need to become less dependent on foreign sources of energy. I proposed a plan to the United States Congress several years ago and said, "Look, we have got to do a better job of modernizing our electricity system, of exploring for more energy in environmentally friendly ways in our own country, by developing alternative sources of energy, biodiesel, ethanols." I mean, listen, I would love to be able to leave behind a legacy that says, "Gosh, the corn crop is up, and we're less dependent on oil from overseas." That would be a good thing to have happen, wouldn't it?

And it's very possible. It's very possible. We must continue to push research and development along those lines. And we've got to encourage conservation. But we need—the Congress needs to pass this bill. I mean, all they've got to do is go to the gas pumps and take a look at the price of gasoline, and you begin to understand what it means to be reliant upon foreign sources of energy. We need clean coal technology. We need to be exploring for natural gas. We need to have—be able to deliquify liquified natural gas off our shores. We need more energy in

order to be able to have our economy strong and, at the same time, make sure we're strong from a national security perspective.

And finally, I want to talk about trade right quick. Do you know that 97 percent of all U.S. exporters are American small businesses? See, if you're good for—good at something, we want to encourage you to be able to sell your product everywhere. We're really good farmers and ranchers in America. We ought to be selling beef and corn and soybeans everywhere there's a market. We ought not to be afraid of competition in America. I don't like unfair competition. And so, the job of the President, it seems like to me, is to reject economic isolationism, is to say to countries, our markets are open for you, you open up your markets for us.

You see, all we want is a level playing field. Just give us a chance to compete. The chance to compete will be good for small businesses. A level playing field will be good for you. It will open up markets. It will give you more opportunity to sell that which you make in places other than the U.S.

In my judgment, good trade policy means better jobs for the American people. It's essential that we not become isolated from the world. It's essential we be confident in our ability to compete. Give us a level playing field, and America's entrepreneurs, small-business owners, farmers, ranchers, and workers can compete with anybody, anyplace, anywhere in the world.

What I'm telling you is, is that the economy's strong—it's getting stronger. But it's important to keep thinking down the road, and it's important to recognize that which is necessary to make sure we can compete. You want to be not only vibrant over the next 4 or 5 years, you want to be vibrant over the next 20 years. The role of the Government is not to create wealth but an environment in which the entrepreneur can flourish. And I've just laid out five or six ways to make sure that the entrepreneur can flourish in America.

We've got other challenges as well. I want to talk about two of them right quick. One, we will win the war on terror. [*Applause*] Thank you. We will win it in the short term because our troops will protect America from harm. We've got great troops. Sergeant, I'm glad you're here. The chief of staff of the NFIB's son is with us. He has served in Bosnia, Afghanistan, and Iraq. I'm honored you're here, Sarge. Thank you for your service.

Thanks to Sarge and others like him, we're running down Al Qaida; we've removed terror regimes who defied ultimatums; and we're doing the hard work now of defeating terror in the long run by spreading freedom and democracy. It's not easy work; I understand that.

It's hard to go to from tyranny to freedom. It's hard to be—to go from a country which had mass graves and children being tortured in front of their parents, guys whose hands were chopped off because the currency was devalued. I remember the other day, seven people came to see me, and they had had their arms—their hands cut off. They were small-business owners, just like you, in Baghdad. And the currency had devalued, and Saddam Hussein needed to blame somebody. So he found these seven poor souls, and he cut off their hands, and he marked their foreheads with a X.

Fortunately, a filmmaker captured their story. And a guy in Houston named Marvin Zindler—he's a TV guy—put a foundation together and—had a foundation in place and saw the story, and he flew them over to the United States, and they came with their new hands to see me. A guy took his hand and put the pen in there and wrote "God bless America" in Arabic. That's the kind of society that used to exist. These seven people were overjoyed with the compassion of America and thrilled with the thought of living in a free society. This is hard work, but we've done hard work before.

After World War II, there were a lot of pessimists who doubted whether or not Germany could ever rise from the rubble or whether or not Japan could ever be a democracy. Fortunately, we had optimists in our country in those days who refused to listen to the pessimists. Fortunately, we had people in those days who had great faith in the values of America and great confidence that people deep in their souls want to live in free societies.

And that's the challenge we're faced with today. The killers and suiciders want us to

leave Iraq, Afghanistan. They want us to renege on our word. They want us to lose confidence. They will fail. America will not be intimidated by these killers. We understand the stakes. We understand that our long-term security depends on the spread of free societies in parts of the world that are desperate for freedom. We have great confidence in our belief that freedom is the gift of the Almighty to every man and woman in this world.

We live in historic times. We live in historic times. This economy of ours is changing, and as it changes, it's getting stronger and providing fantastic opportunities for people, opportunities for those who dream the big dream and who work hard and take a risk. And we have a chance to leave behind a legacy of peace by spreading democracy and freedom. These are the challenges that have been placed before us. We accept the challenges, and we know that for our great country, the best days lie ahead.

Thank you for coming, and may God bless you.

NOTE: The President spoke at 1:20 p.m. at the J.W. Marriott Hotel. In his remarks, he referred to Jack Faris, president and chief executive officer, Thomas Musser, chairman of the board, Dan Danner, senior vice president for public policy, and Mary Blasinsky, chief of staff, National Federation of Independent Businesses; and former President Saddam Hussein of Iraq. A portion of these remarks could not be verified because the tape was incomplete.

Remarks at a Reception for Senatorial Candidate George R. Nethercutt, Jr., in Spokane, Washington

June 17, 2004

Thank you all. Thanks for coming. And George, thanks for inviting me. I've come back to Spokane for one reason. I want to make it as clear as I possibly can that the right person to represent the State of Washington in the United States Senate is George Nethercutt.

Thank you for helping him. Thank you for what you're going to do to help him—[*laughter*]—starting with voting and turning out others to vote. And while you're getting the vote for George, why don't you get them to vote for me as well. Both of us are going to carry this State, and we're going to because we've got optimistic plans to make this country safer, stronger, and better.

There are a lot of reasons to be for George, but the best is the fact that he married well. [*Laughter*] Like me, he married above himself. [*Laughter*] He's got a wonderful family with Mary Beth and Meredith and Elliott. I want to thank them for joining us on the stage. You see, running for office is a family venture. You can't run unless you've got a good, strong marriage and a supportive family, and the Nethercutts are close. They love each other. They care for each other. And one of the reasons he's going to win is they set such a good example for people all across the State of Washington.

And the good news for me is, Laura hadn't run me off yet. [*Laughter*] She sends her very best. As a matter of fact, she is going to host an event for George in Washington, DC, very soon. She knows a good man when she meets one. [*Laughter*] I'm really proud of Laura. She is—I don't know if you remember, 4 years ago when I came here—and by the way, I remember vividly running the river. [*Laughter*] Unfortunately, I can't run as well anymore. It just goes to show what the Presidency does to your knees. [*Laughter*] But I said I was a lucky man when Laura said "yes" to marry me. She was a public school librarian when I first met her. She didn't care for politics or politicians. [*Laughter*] And now she's the First Lady of the United States, and she's doing a heck of a job. I'm really proud of her, and she sends her best.

I'm also really pleased that my friend Dirk Kempthorne is here, the great Governor of the State of Idaho. He is a—he's back in the corner, he and Patricia are back—I thought you'd get a better seat than that. [*Laughter*] But thanks for coming. He is a fabulous person and a great friend of mine, and I want to thank all the folks from Idaho who slipped across the border to say hi. And Governor, one of these days, I'm coming. [*Laughter*]

I want to thank Secretary of State Sam Reed for being here. I appreciate you coming, Sam. I had the honor of meeting Mayor Jim West. I want to thank the mayor. I like

to tell mayors when I see them, thanks for serving, and fill the potholes. It works every time. [*Laughter*]

I appreciate saying hello to former Governor John Spellman. Thank you for serving your State. And I had the pleasure of saying hello to future Governor Dino Rossi. Dino is a good man. He's a good man. He's got a good, solid head on his shoulders, and he'll do a heck of a job as the Governor of this State.

It's a strong ticket we're running on here in Washington, if you really think about it. You've got Dino Rossi, and you've got George Nethercutt. You're lucky to have two great, honorable, decent souls. You know George here. When I say decent, you know what I'm talking about. He is from Spokane. He grew up here. People know him well, and people can vouch for him. They can vouch for his integrity and his decency and his compassion. And those are key ingredients to serve a group of people you care about.

He—I'll tell you, he's been a strong ally in Washington, DC. We've had to make some tough decisions. The job of a President is to confront problems, not to pass them on to future Presidents and future generations. It's easier to confront problems and to solve problems when you've got people like George Nethercutt in Washington, DC, who are willing to work with you.

Look, he doesn't agree with me 100 percent of the time. He's an independent thinker. That's the kind of person you want from the State of Washington, somebody who is independent. But when the big problems came up, we stood shoulder to shoulder on behalf of the American people.

Think about what we have confronted. This country has been through a recession. That means the economy was going backwards. It's been through corporate scandals. We had some of our citizens in our country forget what it means to be a responsible—responsible—citizen. They didn't tell the truth to their shareholders and their employees. It wasn't right what they did. We passed tough laws. I appreciate George's support. It is now abundantly clear to corporate CEOs that we will not tolerate dishonesty in the boardrooms of America. We got attacked on September the 11th, 2001. I made a tough decision to defend the country, and we went to war in Afghanistan and Iraq. All of those events made it very difficult on our economy. These were hurdles we had to overcome.

But we acted. We moved forward. And we moved forward on this principle: We have great faith that if the American people have more money in their pocket, it would help us overcome the obstacles that we confronted. We had great faith that if we could invigorate the entrepreneurial spirit in America, we could recover and people could find work. And I want to thank George for his strong and steady support for the economic stimulus plan that we got through the United States Congress, not once, not twice, but three times, in order to make sure we overcame—[*applause*].

There's a difference in his campaign, a clear difference when it comes to taxation. There's a clear difference about—there's a clear difference in the philosophy of government. See, we believe that people can spend their money far better than the Federal Government can. We understand how the economy works. When a small-business owner has a little more money in his or her pocket, she's likely to make a new investment. An investment means somebody has to produce a capital good or a service, and when somebody produces a good or a service, somebody is more likely to find work.

The economic stimulus package we passed not only affected our citizens, the families of America—see, we raised the child credit, reduced the marriage penalty—and by the way, what kind of Tax Code is it that penalizes marriage? It's a lousy Tax Code that penalizes marriage. We ought to be encouraging marriage in our society. We created a new 10-percent bracket that will help lower-income people.

We put the death tax on the road to extinction. Look, I like giving speeches where there's cowboy hats. [*Laughter*] It kind of reminds me of home. I see them. [*Laughter*] But one thing is for certain. We got a tax system that makes it hard for people to pass their family farm from one generation to the next. We got a tax system that's lousy on small-business owners being able to pass their assets. We need to get rid of the death

tax forever. That's the clear difference in this campaign.

An integral part of the stimulus plan was to provide incentives to the small businesses to expand in America. See, 70 percent of new jobs are created by small businesses. And if your job base is lagging, it seemed to make sense to George and me that we would provide incentives to the small business. So we increased the amount of allowance for deductibility for capital purchases. And by cutting individual taxes, we stimulated growth in the small-business sector, because most small businesses are Subchapter S corporations, and they pay tax at the individual income tax rate.

Now, people in Washington, DC, were griping about this plan. I suspect perhaps your opponent was saying, "Oh, this is just rewarding the rich." We've heard that kind of class warfare language before, but look what's happened. The growth over the last year has been strong and steady. We've added 1.4 million new jobs since last August. The homeownership rate is the highest in American history. This economy of ours is strong; it is getting stronger. The tax relief we passed is working. The faith that George and I put into the American consumer, the American farmer, the American rancher, and the American entrepreneur is paying off.

There is a clear difference of opinion about how to grow an economy. One group of people say, "Let's raise your taxes and increase the size of the Federal Government and hope the economy grows." George and I believe that if you have more of your own money in your pocket, you make the decisions that help this economy grow, and the statistics and today's growth shows that our philosophy works.

Some of these tax—some of this tax relief is set to expire now. And if the United States Senate lets these taxes expire, it means they're raising taxes on the American people at the wrong time. A big issue in this campaign is going to be the issue on taxes. It's a big issue. There's a clear difference between the two running for the United States Senate. George wants you to keep your money. He doesn't believe the taxes ought to go up. He's willing to stand on the side of the small-business owner and the rancher and the farmer and the individual consumer. I can't say the same for his opponent.

See, the Senate needs to make sure that the tax relief that's set to expire doesn't expire. Otherwise, they're raising your taxes, and that will hurt our economy. We don't need to be raising our taxes right now. We've got plenty of money in Washington, DC, if we set our priorities. If we make sure we set our priorities, we can cut our deficit in half by 5 years. The tax relief that we passed must remain the same if we want this economy to continue to grow.

I'm running against a fellow who's already promised over a trillion dollars in new money, and we're just getting started. [*Laughter*] And he says he's going to pay for it by taxing the rich. There's not enough money to tax the rich to pay for a trillion dollars in new spending. You know who's going to end up paying for the new spending, don't you? You are, hard-working American people. Tax is an issue in this campaign. It's an issue, and the people of Washington must understand that by putting in George Nethercutt, he's not going to raise your taxes.

A fundamental issue in this campaign is who understands how to make sure the environment for economic growth continues, not just this year but beyond. See, I want America and George wants America to be the best place to do business in the world. We live in a global economy, and if we can't compete, our people aren't going to be able to work. That's just the way it is. And here's some things we can do to make sure that we've got—that we can compete in a global economy.

First, we need an energy plan. I submitted a plan 2 years ago. George supported it. His opponent voted against it. It's a plan that does a lot of things. One, it encourages conservation. It encourages alternative sources of energy. Look, I'd love to be the President that said, "The harvest is up recently. The corn harvest is up, and we're less dependent on foreign sources of oil." We need more energy here at home, though, folks. We can do so in environmentally friendly ways as well. But when you go to your gas pump, the reason that the gasoline prices are high is because we're dependent. We're dependent on other nations for our energy. For the

sake of economic security, for the sake of national security, we need an energy bill out of the United States Congress.

If we want to make sure our people work, we better make sure markets are open to U.S. products. There's some economic isolationists in Washington, DC, who believe the best way to deal with our economy is to shut it off from the rest of the world. I strongly disagree. I think that's too pessimistic. I'm confident we can compete with anybody. My job is to make sure the playing field is level. My job is to make sure other nations treat us like we treat them. And we're making progress there. Just ask your soybean growers and your wheat growers and your corn growers. We're selling products. Listen, if you're good at something, you ought to be selling it all around the world. We're good at making things. We're good at growing things. The best way to make sure we've got jobs out into the 21st century is to open up markets for U.S. products. America's producers and laborers can compete with anybody, anywhere, anytime if the playing field is level.

In order to make sure we've got a good economy in the out-years, you've got to make sure you've got a man up in Washington, DC, who understands something about agriculture, particularly for this part of the State. George Nethercutt understands agriculture. We've talked together, and we've got the farm bill moving. The ag sector, by the way, is strong right now. People are making a good living, and that's good for the U.S. economy.

Speaking about agriculture, you need to make sure you got the electricity to live out here in this part of the world. I told you when I came out here, we were going to be responsible when it came to the dams. I fully believe that we could make sure that the salmon runs were strong and that we could maintain the dams at the same time. I have fulfilled that promise. You better make sure he's in the United States Senate to keep it that way. I appreciated working with George on the Healthy Forest legislation, commonsense legislation.

And one thing else I want to talk to you about—about the domestic economy—is that in order to make sure jobs are available, we need people who are willing to vote for tort reform in the United States Senate. I got up to Washington, and I thought for a while that medical liability reform was a State issue, and then I saw the effects of the practice of defensive medicine on the U.S. budget. I mean, think about what the frivolous and junk lawsuits do to our budgets. We've got Medicare and Medicaid budgets and veterans health budgets. And these lawsuits are running up the cost to the U.S. taxpayers, make it hard for people—small businesses, in particular, to stay in business. It's running docs out. We've got docs leaving the profession all over our country, and that's not good. Listen, the doctors are compassionate, decent people who are healing on a daily basis. And if they can't make a living because of junk and frivolous lawsuits, our system will hurt; our communities will hurt.

And therefore, I decided that medical liability reform was a Federal issue and worked with the House of Representatives to put good legislation forward—good, sound legislation with real caps, legislation that will allow somebody who's been injured by a bad doc to have their day in court, but legislation which also will make sure we're not running good docs out of business. It passed the House. It is stuck in the United States Senate. Your Senator will not vote for medical liability reform. We need to get medical liability reform unstuck. One way to do is to put George Nethercutt in the United States Senate.

I have a duty to name good judges to the Federal benches. I have honored that duty. I have honored—I have put forth fine names, fine nominees, people who will strictly interpret the law, not legislate from the bench. It's what I said I would do when I was running for President of the United States. I said, "These are the types of people I would nominate." And I put people from all walks of life up in front of the United States Senate. And unfortunately, some United States Senators are playing politics with my nominees, two of them right from this State. One of the reasons you ought to have George Nethercutt as the United States Senator is to make sure that good, honorable, decent judges are able to make it through the nominating process and the confirmation process of the United States Senate.

We—it's very important to have somebody represent you who clearly sees the threats to the United States of America, has a clear vision of the problems we face and the opportunities before us. I believe George Nethercutt is such a man.

The lessons of September the 11th must never be forgotten by any of us who have the honor of serving you. And here's the way I see the lessons: One, the nature of the enemy is such they'll kill indiscriminately in order to try to frighten the United States of America, in order to shake our will, in order to cause us to run from our duties. And therefore, it's very important for the United States to stay on the offense against these people. You can't negotiate with them. Therapy will not work. [*Laughter*] What is necessary is to use all the assets at our disposable to bring these people to justice before they hurt America again.

It's also very important that when the United States says something we mean it. In order to make the world a more peaceful place, it is essential that a leader, when they speak, means what he says. And when I say something to the enemy or to allies, I mean it. I understand the duty I have.

And I said, "If you harbor a terrorist, you're just as guilty as the terrorist." And I meant that, and we acted on that. I want to thank George for his strong support. We first acted on that in Afghanistan. Afghanistan was a place that had been brutalized by the Taliban. The Taliban is an indication of the ideology of these killers, see. Let me just put it to you this way: Young girls don't get to go to school. They're so backwards and so barbaric, they—their society—their view of society is dark and dim. A whole class of—a whole group of people are totally written off by the Taliban. In this case, they were also providing safe haven for Al Qaida. They were training there, and we issued an ultimatum. They defied the free world, and they no longer exist. And as a result, people have been freed.

They—there's individual Taliban moving around, and we're on the hunt with some really brave people. And I'm going to Fort Lewis tomorrow to thank a lot of the brave people on the hunt. But the government doesn't exist anymore. As a matter of fact, there's a—they're going to have elections in Afghanistan in September. They've got a modern constitution. They'll have women serving in their parliament.

President Karzai came to America, spoke in front of the Congress—George heard him—and he said, "I want to thank America. I want to thank America for your sacrifice. Thank you for your friendship. Thank you for standing with us." A free society in Afghanistan is going to make a difference for the peace of the world, and we're headed in that direction.

One of the lessons of September the 11th is that when we see a threat, we must take it seriously. We can no longer assume oceans protect us. If we see a threat materializing overseas, we must take every threat seriously, before it's too late. That's one of the really important lessons of that day.

I saw a threat in Iraq. I looked at the intelligence, and I saw a threat. The United States Congress, Republicans and Democrats, looked at the very same intelligence, and they saw a threat. The United Nations Security Council looked at the intelligence, and it saw a threat. And there's a reason why we saw threats. Saddam Hussein was a brutal dictator who tortured his own people, who opened mass graves for innocent Iraqis and filled them, who harbored terrorists, who provided safe haven for people like Zarqawi who still kills in Iraq today, who used weapons of mass destruction on his own people. Yes, we saw a threat, and I remembered the lessons of September the 11th, that we must take threats seriously.

So I went to the United Nations, and I said, "Here's a threat." And unanimously, they said, "You're right. Mr. Saddam Hussein, disarm, disclose and disarm, or face serious consequences." When America speaks, we better mean what we say. When we say, "serious consequences," we mean serious consequences. Saddam Hussein, once again, defied the free world. I had a choice to make, to trust the judgment of a madman or defend America. Given that choice, I will defend America every time.

And our troops have performed brilliantly. And I want to thank George Nethercutt for

his strong support in making sure the President can look at the moms and dads and husbands and wives of those who serve in our military and say, we will make sure your loved one has everything he or she needs to defend the United States of America.

We're doing hard work in Iraq. You've seen how hard it is on your TV screens. It's hard, but it's necessary. And I'll tell you why it's necessary. In a short term, we will defeat the terrorists by hunting them down and bringing them to justice. In the long term, we will defeat the terrorists by spreading freedom and democracy. The best way to defeat hatred and bitterness and the lack of hope is to spread hope through freedom. That's what we believe in America. We've seen it work before.

Let me read you something I think you'll find interesting from the New York Times. [*Laughter*] Now, wait, wait a minute, wait. This was in—no—in 1946. [*Laughter*] It was a great year. [*Laughter*] I was born that year. [*Laughter*] Anyway, I just want you to read this—I mean, I want you to hear this as I read it: "Germany"—this is 18 months after the fall of Berlin—18 months after the fall of Berlin—"Germany is a land in an acute stage of economic, political, and moral crisis. The basic elements of recovery and peace are lacking. European capitals are frightened by the prospect of a German collapse. In every military headquarters, one meets alarmed officials doing their best to deal with the consequences of the occupation policy that they admit has failed."

Now, that was a pessimistic view of the future for Germany. Fortunately, my predecessors were not pessimistic people. Fortunately, they had great faith in the power of freedom to change societies. Fortunately, they understood that even though times were difficult, that if they were determined and strong and clear-sighted in the vision of a free society, ultimately, a free society would emerge.

At the G–8 at Sea Island, I was sitting at the table with not only Gerhard Schroeder, the Chancellor of Germany, free Germany, democratically elected Gerhard Schroeder; I was also sitting with democratically elected Prime Minister Koizumi of Japan. You see, because somebody was strong in their belief about the power of freedom, allies of the United States today are—were former enemies. Someday, an American President will be sitting, discussing world peace with a duly elected leader from Iraq.

These are historic times we're in, and it's such an honor to serve the American people during these times. But with America's leadership in the world and by being true to our values, we can change the world. We can make the world a more peaceful, hopeful place. That's what's happening. And it's hard, because there are a group of people who are trying to stop us. They're trying to shake our confidence. They're trying to dim our vision. They want us to quit. They want us to be people who say one thing and do another. But they'll fail because we're not going to change. They'll fail because we believe strongly in the future. They will fail because America will continue to lead the world toward peace and freedom.

George understands what I'm talking about, and it's important to have him in the United States Senate to help us complete the missions.

Finally, I want to say one thing about our culture. See, I think cultures can change. I know they change. Baby boomer—I've seen one change in my lifetime. [*Laughter*] The culture today is changing—I like to describe it this way—"If it feels good, go ahead and do it," and "If you've got a problem, blame somebody else"—[*laughter*]—to a culture in which each of us understands we are responsible for the decisions we make in life. That if you're a mom or a dad, you're responsible for loving your children with all your heart and all your soul. That's your responsibility. If you're worried about the quality of the education in the community in which you live, you're responsible in Spokane, Washington, for doing something about it. It's your responsibility. You know how I feel about corporate CEOs in the responsibility era. They're responsible for telling the truth to their shareholders and employees.

Responsibility society is also one in which each of us loves our neighbor just like we'd like to be loved ourself. Government can hand out money, but Government cannot put hope in a person's heart or a sense of purpose in a person's life. That happens when a loving

soul puts their arm around somebody and says, "I love you. What can I do to help you?" And it seems like to me that it's the responsibility of those of us in office to capture and rally the great strength of the country. And the great strength of America is in the hearts and souls of the American people. That's our true strength.

See, I believe and George believes, societies change one heart and one soul at a time. And while we recognize you can't be the full change agent, you can be a person helping to change those hearts and souls.

And it's easy for George to say that because he's lived that kind of life. He helped people understand the joy of parenthood by promoting adoption. He founded a nursery to protect abused children. He's been a leader in diabetes research. He's an honorable, decent man who not only talks the talk, but he walks the walk and will make a great United States Senator.

Thank you all for coming. God bless.

NOTE: The President spoke at 6:30 p.m. in the International Agriculture Trade Center at the Spokane Center. In his remarks, he referred to Gov. Dirk Kempthorne of Idaho and his wife, Patricia; Washington Secretary of State Sam Reed; Mayor Jim West of Spokane, WA; former Gov. John Spellman of Washington; Washington gubernatorial candidate Dino Rossi; President Hamid Karzai of Afghanistan; former President Saddam Hussein of Iraq; senior Al Qaida associate Abu Musab Al Zarqawi; Chancellor Gerhard Schroeder of Germany; and Prime Minister Junichiro Koizumi of Japan. Representative George R. Nethercutt, Jr., is a candidate for Senate in Washington.

Remarks at Fort Lewis, Washington

June 18, 2004

The President. Thank you all very much. It's great to be here in the State of Washington. I think the Senator would say it's great to be out of Washington—the other Washington. [*Laughter*] We're honored to be in your presence. We're honored to be with the soldiers who proudly wear our uniforms. And we're honored to be here with the families that support them.

I want to thank Senator John McCain for joining us. It is a privilege to be introduced to our men and women in uniform by a man who brought such credit to the uniform. When he speaks of service and sacrifice, he speaks from experience. The United States military has no better friend in the United States Senate than John McCain.

The men and women of Fort Lewis, Washington, have contributed mightily—mightily—to our efforts to defeat the terrorists, and I'm here to thank you for your efforts. I'm here to thank you on behalf of a grateful nation for what you have done, what you are doing, and what you will do to make sure America is more secure and the world is more peaceful.

Many of you have recently returned from Iraq. Thank you for your service. Some have returned from Afghanistan. Some are preparing to head out for a second tour. You're defending your fellow citizens. You're extending the reach of freedom. You're making America incredibly proud.

I appreciate General Jimmy Collins' hospitality. He found a pretty good sack for me last night. [*Laughter*] I also want to thank Linda for her hospitality as well.

Today Senator McCain and I are joined by another fine Member of the United States Senate, Senator John Ensign from the State of Nevada. Appreciate you coming.

Audience member. Yeah!

The President. Have you actually heard of Ensign, or are you from Nevada?

Audience member. I'm from Las Vegas.

The President. Vegas—okay, good. [*Laughter*] Congressman Adam Smith is with us today. I appreciate you being here, Congressman. Thank you for coming.

The Lieutenant Governor of the State of Washington, Brad Owen, and his wife, Linda, is with us. Thank you for coming, Governor. I appreciate you being here. I know we've got State and local officials here. If there's any mayors here, make sure you fill the potholes. [*Laughter*]

Yesterday I met Nadine Gulit. Nadine and her daughter, Sheryl, started what's called Operation Support Our Troops. I see a lot of heads nodding. You see, these women are soldiers in the army of compassion. These are volunteers who have decided to take time out of their lives to help others. Oftentimes we talk about the great strength of America

being our military. We'll keep it strong. But the greatest strength of America is the hearts and souls of our fellow citizens, those of you who are willing to mentor a child, those of you who are willing to feed the hungry or find shelter for the homeless, those of you who are willing to love your neighbor just like you'd like to be loved yourselves. The reason I bring up—I want to thank Nadine for her compassion and for the example she has set.

I'm especially grateful to the families who are here today. I see the pictures and the ribbons. Military service is a family commitment. And it's a big commitment, especially when you have a loved one serving in faraway lands or preparing to deploy. By loving and supporting a person in uniform, you're serving your country, and our Nation is really grateful to you.

It's great to be here with "America's Corps." I'm told the 1st Corps is the most decorated corps in the United States Army. You have a proud history, and you continue to make history. You're bringing great credit to the United States of America. Each of you is a volunteer. You sacrifice in the service of a higher calling, the cause of your Nation, and we are grateful for that sacrifice. People all over our country will join me in saying, "Thank you for what you're doing for our country."

Our Government owes you more than gratitude. I've made a commitment—Senator McCain and Senator Ensign have made the same commitment—to the men and women of our military and their families: You will have all the resources and all the capabilities you need to fight and win the war on terror.

On September the 11th, 2001, we learned that threats gathering on the other side of the world can arrive suddenly and bring tragedy to our great Nation. On that day, the enemy declared war on the United States of America, and war is what they got. I vowed to use every power, every tool, every asset at our disposal to bring justice to our enemies and to protect the American people. And that is exactly what we're doing today.

This is a different kind of war, as you all have learned. Against this kind of threat, our military must be able to move swiftly to strike the enemy with precision and lethal power. And so, as we fight the war to protect America, we are transforming our forces and investing in the future. And much of that transformation takes place here at Fort Lewis. You're on the leading edge of change. You're on the leading edge of making sure this country will protect our citizens.

We're working to develop more unmanned vehicles in space and on land, in air, and at sea. We're building better precision-guided munitions so we can strike freedom's enemies with greater effectiveness at greater distance and spare the innocent. We're developing better surveillance and reconnaissance capabilities so we can continuously locate and track moving targets from the air and from space, 24 hours a day, 7 days a week, 365 days a year.

We're seeing every day that advanced weapons can make a critical difference in the war on terror, but the major difference in winning the war on terror is the people. The major difference is those who wear the uniform, a highly skilled, highly motivated, fantastic group of men and women.

The soldiers of Fort Lewis are serving on the frontlines of the war on terror, and you're on the cutting edge of military transformation, and I thank you for that. This is the home of the Army's first two Stryker Brigades. These combat teams are built around 21st century armored vehicles that can maneuver in urban terrain and get soldiers to the fight with unmatched speed and stealth and power. In Samarra, Iraqis have taken to calling the Stryker Brigades the "Ghost Riders" because they arrive in near total silence and strike the enemy without warning. The terrorists in Iraq have plenty to fear from the "Ghost Riders" of Fort Lewis, Washington.

Fort Lewis is also home to many of our Nation's Special Operations forces, who are redefining war on our terms. In Afghanistan, Special Ops with high-tech weapons joined with tribal warriors on horseback to help remove the Taliban regime in just 49 days. In Iraq, Special Operations teams fanned out across the country, pinpointing targets and preparing landing strips and securing oilfields and hunting for Scuds, all before the dictator even knew what hit him. Today, our

Special Operation forces are hunting the enemies in Iraq and Afghanistan and elsewhere, carrying swift justice to those who would harm Americans.

These great capabilities are deployed in a great cause. America and free nations face a new totalitarian threat, a real threat to our security. It's not just from a single superpower but from networks of terrorists, allied with outlaw regimes. This enemy seeks to control nations in the Middle East. They seek to destroy moderate governments. They seek to impose a dark, dim vision of the world, a vision which subjugates women to second-class citizenry, a vision which will not allow others to express their opinion, a vision which will stamp out all forms of religion except their narrowly constructed view of religion.

These killers will kill innocent people in order to shake our will and confidence. They want us to forget our duty. They want us to cower in the face of their cowardice. They have vowed to destroy America. They want to gain weapons of mass destruction. But like aggressors of another time, the terrorists have chose the wrong enemy in the United States of America.

You can't reason with these people. There's no need to negotiate with them. Therapy is not going to work. [*Laughter*] To win this war, we will stay on the offensive and bring them to justice. Thanks to your hard work, we're making progress. We are slowly but surely dismantling the Al Qaida network. There is no cave or hole deep enough to hide from American justice.

We will be strong and we will be relentless in our duty to protect our fellow citizens. To win this war, we will deal with states that harbor the terrorists. Right after September the 11th, I laid out a new doctrine which said, "If you harbor a terrorist, you're just as guilty as the terrorists." I also am mindful of this: When the President of the United States speaks, he must mean what he says.

I mean what I said, and the Taliban found that out, thanks to the United States military and our friends. Today, because our coalition acted, there are no terror training camps in Afghanistan. And if there are, if they're thinking about them, we will find them and destroy them. The Taliban regime no longer is in power. The country is free. Thanks to our coalition, hospitals and clinics are being built and rehabilitated. Thanks to the actions your loved ones and you have taken in Afghanistan, many young girls now go to school for the first time in their life. And this September, Afghans will hold free elections.

To win this war, we are confronting regimes with ties to terror that arm to threaten the peace. We will remove threats before they arrive, instead of waiting for the next attack, the next catastrophe. That is one of the lessons of September the 11th we must never forget.

Saddam Hussein's regime posed a threat to the American people and people around the world. Iraq was a country in which millions of people lived in fear and many thousands disappeared into mass graves. This was a regime that tortured children in front of their parents. This was a regime that had invaded its neighbors. This is a regime that had used chemical weapons before. It had used weapons not only against countries in its neighborhood but against its own citizens. This is a regime which gave cash rewards to families of suicide bombers. This is a regime that sheltered terrorist groups. This is a regime that hated America.

And so we saw a threat, and it was a real threat. And that's why I went to the United Nations. The administration looked at the intelligence, saw a threat, and remembered the facts and saw a threat. The Congress, members of both political parties, looked at the intelligence. They saw a threat. The members of the United Nations Security Council looked at the intelligence and saw a threat and voted unanimously to send the message to Mr. Saddam Hussein, "Disarm, or face serious consequences." As usual, he ignored the demands of the free world. So I had a choice to make, either to trust the word of a madman or defend America. Given that choice, I will defend America every time.

Thanks to our troops and thanks to the troops of our friends, one of the most evil and brutal regimes in history no longer exists. Iraq is better off today; America is more secure today because Saddam Hussein sits in a prison cell.

To win this war, we will not only keep the pressure on the enemy; we will spread freedom and democracy throughout the Middle

East. We will spread freedom and democracy as an alternative to bitterness and terror. We believe that when men and women are given the opportunities and choices of a free society, they will turn their energy to the pursuits of peace. That's what we believe. We fully understand freedom is not America's gift to the world; freedom is the Almighty God's gift to every man and woman in this world.

And our enemies understand the power of free societies. They understand that the spread of freedom will be a major defeat for their dark vision. And so freedom—those who long for freedom in Iraq and those who help the Iraqis to see freedom and those who long for freedom in Afghanistan and those who are helping the Afghans achieve freedom faced deadly and determined enemies. We're fighting those enemies with skill and courage.

You know, our American soldiers not only are showing great courage and bravery, but they're showing great respect for the cultures of those countries. That's because we have sent decent people into harm's way, good, honorable men and women who represent the best of America.

These are difficult tasks, I know, and they're hard tasks. And people wonder whether we'll succeed. I know that. But I'm here to tell you, these are essential tasks for our security and for peace of the world. You see, by fighting the terrorists in distance land—distant lands, you are making sure your fellow citizens do not face them here at home. By helping the rise of democracy in Iraq and throughout the world, you are giving people an alternative to bitterness and hatred, and that is essential to the peace of the world.

This week, President Karzai came to the White House and the U.S. Capitol and thanked the American people and thanked our soldiers and their families for helping to free his country and for being a friend. The President of Iraq came to America last week and expressed his gratitude as well. These are thankful people, because they know what you've done. They've seen firsthand the power of liberation. See, they have seen our mission. We don't come to conquer. We come to liberate, and we will stand with them until their freedom is secure.

We're moving forward with a five-point plan for Iraqi self-government. We're handing over authority to a sovereign Iraqi government. We're encouraging more international support for the Iraqi transition. We're helping the Iraqis take responsibility for their own security. We're continuing to rebuild Iraq's infrastructure, and we are moving toward free elections. A turning point will come in less than 2 weeks. On June the 30th, full sovereignty will be transferred to the interim government. The Coalition Provisional Authority will cease to exist. An American Embassy will open in the capital of a free Iraq.

Iraq's new leaders are rising to their responsibilities. That's what you're seeing. They're assuming responsibility. Our coalition and the United Nations are working to prepare the way for national elections. The United Nations Security Council has voted unanimously to endorse the Iraqi interim government and their plans for political transition. The Iraqi people are making steady progress toward a free society in a partnership with the United States of America and many other nations. And we will not let thugs and killers stand in the way of democracy in Iraq.

It is essential that Iraq gain the means of self-defense. So we're now leading an international effort to train new Iraqi security forces. You see, there are now 200,000 Iraqis on duty or in training in various branches of the Iraqi security operations. And we need work. We need more—there's more work to do. They need to work better. I know that, and one way to do so is to build Iraqi chains of command, because Iraqi citizens, naturally, want to take orders from Iraqi officers. So we're helping to prepare a new generation of Iraqi military commanders who will take the lead in defending their country.

And we're beginning to see results of people stepping up to defend themselves. Iraqi police and Civil Defense Corps have captured several wanted terrorists, including Umar Baziyani. He was a key lieutenant of this killer named Zarqawi who's ordering the suiciders inside of Iraq. By the way, he was the fellow who was in Baghdad at times prior to our arrival. He was operating out of Iraq. He was an Al Qaida associate. See, he was

there before we came. He's there after we came. And we'll find him, and he will be brought to justice, for the sake of peace and security.

The commander of Task Force Olympia—you might have heard of him—Brigadier General Carter Ham said recently about a response by Iraqi forces in Mosul that the Iraqi forces stood strong. I suspect General Ham is someone who likes to tell the truth. In Najaf, Iraqi police are back on the streets. The citizens are glad to see them there. See, they want what we want. They want their families to grow up in a peaceful society. In Al Kharma, soldiers of the Iraqi Civil Defense Corps were awarded medals for valor after battling insurgents and rescuing a wounded marine. "I feel very, very bad the marine was shot because they're like my brothers," said one of the decorated Iraqi soldiers, "but I'm ready to go out again. I'm always ready," he said.

You see, these brave Iraqis are setting an example for their fellow citizens. They're staying in the fight. They're taking the battle to the terrorists and the foreign fighters and the Saddam holdouts. They're securing a future of liberty and opportunity for their children and their grandchildren. And when the history of modern Iraq is written, the people of Iraq will know their freedom was finally secured by the courage and the sacrifice of Iraqi patriots.

The future of a free Iraq is now coming into view. As the interim government assumes sovereignty and Iraqi security forces defend their country, our coalition will play a supporting role. And this is an essential part of our strategy for success. Terrorists who attack a self-governing Iraq are showing who they really are. They're not fighting foreign forces. They're fighting the Iraqi people. They're the enemies of democracy and hope. They are the enemies of a peaceful future for Iraq.

As President al-Yawr of Iraq said last week, "These people who are doing these things are the armies of the darkness." That's what the President said, of Iraq. These are the enemies of the Iraqi nation. They are trying to take Iraq back to the dark ages that we used to live in, until last year. The President and I share the same resolve. Iraq will never return to the dark ages of tyranny. Iraq will be a free nation.

At the same time that we're helping the Iraqis bring the terrorists to justice, we're helping the Iraqi people to rebuild the basic infrastructure of their country. This is tough work. It's hard work. It's hard work to go from a society terrorized by a tyrant to a free society, but we have done this kind of work before.

I want you to listen to how the New York Times described conditions in Germany in November 1946. This was 18 months after the fall of Berlin. "Germany is a land in an acute stage of economic, political, and moral crisis. The basic elements of recovery and peace are lacking. European capitals are frightened by the prospect of a German collapse. In every military headquarters, one meets alarmed officials doing their best to deal with the consequences of the occupation policy they admit has failed."

Fortunately, the pessimists did not have their day. Fortunately, our predecessors had great faith in the power of free societies to change society. Fortunately, our predecessors stood firm in the face of cynicism and doubt. Because, you see, we helped the German people rise above hunger and hopelessness. We helped them resist the designs of the Soviet Union. We overcame many obstacles because we knew that the hope for a secure America was a peaceful and democratic Europe.

We face the same challenges today. It's just in a different part of the world. There are those who doubt. There are those who are pessimistic. Fourteen months have passed since the fall of Baghdad—14 months. And today, in spite of the insurgency, in spite of the attempts of the terrorists, Iraq's economy is moving forward and democracy is taking hold. Most Iraqi cities and many towns now have local councils chosen by their communities, which are handling problems such as trash collection and traffic, sanitation, and education. More than 170 newspapers have begun publishing. Dozens of political parties have formed. At one Iraqi university, a team is translating the great works of democracy into Arabic.

Life is getting better for the Iraqi people, who have suffered for decades. Our coalition

has rehabilitated thousands of schools. We're training thousands of secondary school teachers in modern teaching methods. Electric power is being restored, despite continued attacks, and is no longer distributed based on loyalty to Saddam Hussein. Iraqi oil revenues have now reached more than $11 billion since liberation. And as Prime Minister Alawi pointed out last week, those revenues are not being used to build gaudy palaces for Saddam Hussein; they're being used to serve the Iraqi people.

With each step forward on the path to self-government and self-reliance, the terrorists will grow more desperate and more violent. They see Iraqis taking their country back. They see freedom taking root, and these killers know they have no future in a free Iraq. They want us to abandon our mission. That's what they want. They want us to break our word. And so they're attacking us, and they're attacking free Iraqis. They don't understand our country. They don't understand our resolve. When America says we'll do something, we are going to do it and finish the job.

We're not intimidated, and neither is the new Iraqi Prime Minister. He went to the scene of yesterday's bombing in Baghdad. He stood amongst the rubble. He said, "This was a cowardly attack." He said, "We're going to face these escalations. The Iraqi people are going to prevail, and the government of Iraq is determined to go ahead in confronting the enemies, whether they are here in Iraq or anywhere else in the world." That's what the Prime Minister of Iraq said. He and I share the same determination.

You see, these terrorists will fail. They will fail because the Iraqi people will not accept a return to tyranny. They will fail because the resolve of America and our allies will not be shaken. And they will fail because of the courageous men and women like you who are standing in their way.

All who serve in the United States military can take great pride in the work you've accomplished. Your fellow citizens know your work is not easy. The days are hot. The mission is hard work. Many of you face long deployments, sometimes longer than you expected. You've missed your families, and believe me, they miss you. You've said farewell to brave friends who did not return. We pray for their families. We pray that the good Lord will comfort them in their grief. Our Nation will never forget their sacrifice and their service.

All of you are sacrificing for the cause of this country, and America has needed that sacrifice. By standing for the cause of freedom, you're making our world more peaceful. By fighting terrorists abroad, you're making the American people more secure at home. And by acting in the best traditions of duty and honor, you're making our country and your Commander in Chief very proud.

May God bless you.

NOTE: The President spoke at 8:10 a.m. In his remarks, he referred to Gen. James M. Collins, USA, deputy commanding general, 1st Corps and Fort Lewis; President Hamid Karzai of Afghanistan; President Ghazi al-Ujayl al-Yawr and Prime Minister Ayad al-Alawi of the Iraqi interim government; senior Al Qaida associate Abu Musab Al Zarqawi and his lieutenant Umar Baziyani, who was captured in Baghdad, Iraq, on May 30; and Brig. Gen. Carter F. Ham, USA, commander, Task Force Olympia.

Remarks on Departure From Seattle, Washington

June 18, 2004

Murder of Paul Johnson in Saudi Arabia

I want to express my deepest condolences to the family of Paul Johnson. We send our prayers and sympathies to them during this very troubling time.

The murder of Paul shows the evil nature of the enemy we face. These are barbaric people. There's no justification whatsoever for his murder, and yet they killed him in cold blood. And it should remind us that we must pursue these people and bring them to justice before they hurt other Americans. See, they're trying to intimidate America. They're trying to shake our will. They're trying to get us to retreat from the world. America will not retreat. America will not be intimidated by these kinds of extremist thugs.

May God bless Paul Johnson. Thank you.

NOTE: The President spoke at 12:54 p.m. at Boeing Field/King County International Airport. In his remarks, he referred to Paul Johnson, a U.S.

citizen employed in Saudi Arabia who was killed by members of the Al Qaida terrorist organization earlier in the day. A tape was not available for verification of the content of these remarks.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

June 11

In the morning, the President had an intelligence briefing.

In the afternoon, the President and Mrs. Bush traveled to the Bush Ranch in Crawford, TX.

June 12

In the morning, the President had an intelligence briefing.

In the evening, the President and Mrs. Bush traveled to Houston, TX. Later, they returned to the Bush Ranch in Crawford.

The President declared a major disaster in Kentucky and ordered Federal aid to supplement Commonwealth and local recovery efforts in the area struck by severe storms, tornadoes, flooding, and mudslides beginning on May 26 and continuing.

June 13

In the morning, the President and Mrs. Bush returned to Washington, DC, arriving in the afternoon.

Later in the afternoon, the President and Mrs. Bush attended a White House tee-ball game on the South Lawn.

The President declared a major disaster in Missouri and ordered Federal aid to supplement State and local recovery efforts in the area struck by severe storms, tornadoes, and flooding on May 18–31.

June 14

In the morning, the President had an intelligence briefing and then met with the National Security Council.

In the afternoon, the President traveled to Kansas City, MO, where, upon arrival, he met with USA Freedom Corps volunteer Ruth Blake. Later, he traveled to Liberty, MO.

In the evening, the President returned to Washington, DC.

The President announced his intention to nominate Carol D'Amico to be a member of the Board of Directors of the National Board of Education Sciences.

June 15

In the morning, the President had an intelligence briefing. Later, in the Oval Office, he met with King Abdullah II of Jordan.

In the afternoon, in the Old Family Dining Room, the President had lunch with President Hamid Karzai of Afghanistan. Later, in the Residence, he and President Karzai dropped by a meeting of the U.S.-Afghan Women's Council.

Later in the afternoon, in the Oval Office, the President met with Secretary of Defense Donald H. Rumsfeld. Later, also in the Oval Office, he met with Kenneth R. Feinberg, Special Master, September 11th Victim Compensation Fund.

The President declared a major disaster in Virginia and ordered Federal aid to supplement Commonwealth and local recovery efforts in the area struck by severe storms, tornadoes, and flooding beginning on May 24 and continuing.

June 16

In the morning, the President had an intelligence briefing. Later, he traveled to Tampa, FL. While en route aboard Air Force One, he participated in a roundtable interview with journalists from publications of veterans service organizations. Upon arrival in Tampa, he met with USA Freedom Corps volunteer M. Sgt. Gina Carnesecchi, USAF.

In the afternoon, at MacDill Air Force Base, the President participated in a briefing with military personnel from the U.S. Central Command and Special Operations Command. He then met with family members of soldiers killed in Afghanistan and Iraq.

Later in the afternoon, the President returned to Washington, DC.

June 17

In the morning, the President had an intelligence briefing. Later, he met with Secretary of State Colin L. Powell.

In the afternoon, the President traveled to Spokane, WA, where, upon arrival, he met with USA Freedom Corps volunteer Jack Fisher.

In the evening, the President traveled to Seattle, WA, where, upon arrival, he met with USA Freedom Corps volunteer Nadine Gulit. He then traveled to Fort Lewis, WA.

June 18

In the morning, at Fort Lewis, the President had an intelligence briefing. He then participated in the taping of a message for the Farm Bureau.

Later in the morning, the President participated in a roundtable interview with journalists from regional newspapers. Later, he met with military personnel wounded in Afghanistan and Iraq and then with family members of soldiers killed in Afghanistan and Iraq.

In the afternoon, the President traveled to Seattle, WA. He then traveled to Reno, NV, where, upon arrival, he met with USA Freedom Corps volunteer Ron Kelstrup.

Later in the afternoon, the President traveled to Camp David, MD.

The White House announced that the President will welcome Prime Minister Peter Medgyessy of Hungary to the White House on June 22.

The White House announced that the President will award the Presidential Medal of Freedom to the following individuals in a ceremony at the White House on June 23: Robert L. Bartley, Edward W. Brooke, Doris Day, Vartan Gregorian, Gilbert M. Grosvenor, Gordon B. Hinckley, Pope John Paul II, Estee Lauder, Arnold Palmer, Arnall Patz, Norman Podhoretz, and Walter B. Wriston.

The White House announced that the President will welcome President Ricardo Lagos of Chile to the White House for a meeting and lunch on July 19.

The President announced his intention to nominate Robert Allen Pittman to be Assistant Secretary of Veterans Affairs for Human Resources and Administration.

The President announced his intention to nominate John Ripin Miller for the rank of Ambassador at Large during his tenure as Director of the Office to Monitor and Combat Trafficking in Persons, Department of State.

The President announced his intention to appoint the following individuals as members of the National Cancer Advisory Board: John Edward Niederhuber (Chairman), Kathryn Giusti, Diana M. Lopez, Carolyn D. Runowicz, and Daniel Von Hoff.

The President announced his intention to appoint the following individuals as Governors on the Board of Governors of the American National Red Cross: Bonnie McElveen-Hunter (Principal Officer), Secretary of Commerce Donald L. Evans, Secretary of Education Roderick R. Paige, Secretary of State Colin L. Powell, Secretary of Veterans Affairs Anthony J. Principi, and Secretary of Health and Human Services Tommy G. Thompson.

The President announced his intention to designate Jerry D. Jennings as U.S. Co-Chairman of the U.S.-Russian Joint Commission on POW/MIAs.

Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted June 14

Carol D'Amico,
of Indiana, to be a member of the Board of Directors of the National Board for Education Sciences for a term of 2 years (new position).

John C. Danforth,
of Missouri, to be the Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

John C. Danforth,
of Missouri, to be Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Representative of the United States of America to the United Nations.

Submitted June 16

Micaela Alvarez,
of Texas, to be U.S. District Judge for the Southern District of Texas, vice David Hittner, retiring.

Submitted June 17

Albert A. Frink, Jr.,
of California, to be an Assistant Secretary of Commerce, vice Linda Mysliwy Conlin, resigned.

John Ripin Miller,
of Washington, to be Director of the Office to Monitor and Combat Trafficking, with the rank of Ambassador at Large (new position).

Robert Allen Pittman,
of Florida, to be an Assistant Secretary of Veterans Affairs (Human Resources and Administration), vice Jacob Lozada, resigned.

Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released June 12

Statement by the Deputy Press Secretary on disaster assistance to Kentucky

Released June 13

Statement by the Press Secretary on disaster assistance to Missouri

Released June 14

Transcript of a press briefing by Centers for Medicare and Medicaid Services Director Mark McClellan on implementation of the prescription drug discount cards

Fact sheet: Medicare Drug Discount Cards Help Seniors Save on Prescription Drug Costs

Statement by the Press Secretary announcing that the President signed S. 2092

Released June 15

Transcript of a press briefing by Press Secretary Scott McClellan

Statement by the Press Secretary on disaster assistance to Virginia

Statement by the Press Secretary announcing that the President signed S.J. Res. 28

Released June 16

Transcript of a press gaggle by Press Secretary Scott McClellan

Statement by National Security Adviser Condoleezza Rice on the resignation of Ambassador Otto Reich as Special Envoy for Western Hemisphere Initiatives

Released June 17

Transcript of a press briefing by Press Secretary Scott McClellan

Fact sheet: Supporting America's Small Businesses

Released June 18

Transcript of a press gaggle by Deputy Press Secretary Claire Buchan

Transcript of remarks by National Security Adviser Condoleezza Rice at the Leon H. Sullivan Summit awards dinner

Statement by the Press Secretary: Visit by Prime Minister Peter Medgyessy of Hungary

Statement by the Press Secretary: Visit by President Ricardo Lagos of Chile

Acts Approved by the President

Approved June 14

S. 2092 / Public Law 108–235
To address the participation of Taiwan in the World Health Organization

Approved June 15

S.J. Res. 28 / Public Law 108–236
Recognizing the 60th anniversary of the Allied landing at Normandy during World War II

Communications to Federal Agencies—Continued

Designation of the Islamic Republic of Pakistan as a Major Non-NATO Ally, memorandum—1089
Proposed Amendment to the United States-United Kingdom Agreement for Cooperation on the Use of Atomic Energy for Mutual Defense Purposes, memorandum—1071
Suspension of Limitations Under the Jerusalem Embassy Act, memorandum—1083

Interviews With the News Media

Exchanges with reporters
Cabinet Room—1091
Liberty, MO—1064
News conferences
June 10 in Savannah, GA—1049
June 15 with President Karzai of Afghanistan—1072

Joint Statements

United States of America and the Transitional Islamic State of Afghanistan—1079

Meetings With Foreign Leaders

Afghanistan, President Karzai—1072, 1079

Notices

Continuation of the National Emergency With Respect to the Risk of Nuclear Proliferation Created by the Accumulation of Weapons-Usable Fissile Material in the Territory of the Russian Federation—1089
Notice of Intention To Enter Into a Free Trade Agreement With Bahrain—1083

Proclamations

Flag Day and National Flag Week—1060

Statements by the President

See also Bill Signings
Commission on Implementation of United States Space Exploration Policy, report—1088

Supplementary Materials

Acts approved by the President—1115
Checklist of White House press releases—1114
Digest of other White House announcements—1112
Nominations submitted to the Senate—1113

US GOVERNMENT PRINTING OFFICE
SUPERINTENDENT OF DOCUMENTS
Washington DC 20402

OFFICIAL BUSINESS
Penalty for private use, $300

PRESORTED STANDARD
POSTAGE & FEES PAID
GPO
PERMIT NO. G-26

**********ALL FOR STATE MI

A PD KOERN346M DEC 04 R
MARY KOERNKE
PRO QUEST I&L
PO BOX 1346
ANN ARBOR MI 48106